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21 APRIL 1987

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MINISTER SAYS NO DOMESTIC OIL PRICE RISE SEEN

Jakarta MERDEKA in Indonesian 10 Feb 87 p 1

[Text] Jakarta, Monday [9 February], MERDEKA--Although the OPEC standard crude oil price has increased, the government has no plan to raise the domestic prices of petroleum fuels (BBM).

Minister of Mining and Energy Subroto made that statement on Monday in a working conference with DPR [Parliament] Commission VI in Jakarta. The meeting was chaired by Commission Chairman Sunaryo Hadade.

Subroto called on the public to be calm and said that, although the government will not be subsidizing the prices of BBM, there is no cause for anxiety.

He stated that whether the government needs to subsidize the price of oil depends on the price of crude oil and the operational costs of PERTAMINA [National Oil and Natural Gas Company]. Moreover, at times like this it is difficult to predict the future price of oil because of many variables with their own uncertainties.

Nevertheless, he said, the government will do as much as it can to boost efficiency in the field at every level, primarily where PERTAMINA's operational costs are concerned, in order to offset those uncertainties.

For fiscal 1987-88, Subroto said, the price standard for crude oil is still based on the figure of \$15.00 per barrel, thus retaining current BBM prices. Using that price standard, the government will achieve an LBM [net oil profit] of 114.2 billion rupiahs, as planned in the 1987-88 Draft State Budget (RAPBN).

Subroto admitted that the role of the price of crude oil is dominant, or about 72.8 percent, in determining the prices of BBM. The remaining 27.8 percent is made up of PERTAMINA operational costs, which include shipping, refining, depreciation, and other costs.

Subroto also took the opportunity to state that as of now there is no plan to sell or privatize State-Owned Enterprises (BUMN's) in the sphere of the Department of Mining and Energy, because those BUMN's are facing no basic problems.

"Any problems are merely temporary ones, primarily for BUMN's in the oil product processing subsector," he stated.

The basic problem being faced by BUMN's, especially those turning out oil products, is related to the economic weakness brought on by world recession. The low prices of oil products on the world market has had an effect on those companies.

"That is only temporary, however, and changes will occur at some point," he asserted.

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## DISPOSITION OF STATE-OWNED ENTERPRISES OUTLINED

### Losing BUMN To Be Sold

Jakarta KOMPAS in Indonesian 13 Feb 87 p 1

[Text] Jakarta, KOMPAS---The disposition process for BUMN's [state-owned enterprises] will not be completed when losing BUMN's are sold. In the second phase of this process, the government may invite private parties to work together with profitable BUMN's to increase their profits. Oskar Suryaatmaja, director general for domestic monetary affairs, gave this information to the press in Jakarta on Thursday [12 February] after accompanying Radius Prawiro, minister of finance, in a working meeting with Parliament's Commission VII.

In the 30 December plenary session of the cabinet, President Soeharto instructed the MENKO EKUIN [minister coordinator for economic, financial, and industrial affairs] to explore the possibility of either selling BUMN's that constantly lose money or finding private enterprises that might cooperate with them. Responding to a question from Commission VII in this connection, Radius said criteria for selling BUMN's were still being sought. Also being studied were loss factors and business fields, taking into account, for instance, whether an operating BUMN affected the lives of many persons. In addition, BUMN's were to be observed to determine whether they had any pioneering function.

Oskar explained that technical department studies of the BUMN's would be completed by the end of February. The results of these studies will be submitted to the MENKO EKUIN for review. The final studies will contain information on BUMN's that no longer will be maintained by the government (those that will be sold), those that will be consolidated, and so on. "Earlier I said the disposition process would take 6 months. Now that the process has been underway, I believe it can be completed sooner than that," he said.

### Disposition Is Not Privatization

According to Oskar, disposing of the BUMN's does not mean that they are being privatized. The measures are being taken in the context of making the BUMN's more efficient and productive to increase state revenue and to reduce the state budget for the BUMN's.

Keeping this principle in mind, the process will not be completed with the disposition of the losing BUMN's. In the second phase, the government may invite the participation of private companies to increase the profits of BUMN's that make money.

A reporter asked whether any private parties would want to buy the BUMN's that lose money continually and have no future prospects. Oskar explained that in the first phase the government will continue to offer them for sale. Buyers could be national private companies or foreign private parties as long as they met the provisions of the foreign capital investment law.

"If no one wants to buy them, we shall look for other means of disposing of them. They could be liquidated and their equipment offered to other BUMN's, or they could be merged or consolidated with other BUMN's. We have considered all of these measures to date," remarked Oskar who spoke as a representative of government holders of BUMN shares.

For purposes of sale, the government will reappraise the book value of a BUMN. The appraisal may be done by a team consisting of employees of the Finance Department and technical departments that are in charge of the BUMN's, and heads of BUMN's or by a company that provides appraisal services.

#### Team To Be Assigned

Jakarta KOMPAS in Indonesian 19 Feb 87 p 1

[Text] Jakarta, KOMPAS--President Soeharto will assign a team to study the overall situation for state-owned enterprises (BUMN) to determine which will be allowed to operate and which will be sold to private parties.

After meeting with President Soeharto at the Bina Graha [executive building] on Wednesday [18 February], Harmoko, minister of information, added that this team would start working after all BUMN positions were reported to President Soeharto by the respective ministers no later than the end of this month.

The instruction that the BUMN positions be reported to the president was given at a limited cabinet session on EKUIN affairs held on 4 February. As of 1985, there were 215 BUMN in Indonesia consisting of 123 stock companies, 31 joint ventures, 31 PERUM [state-owned corporations], 2 PERJAN [departmental agencies], 8 banks, 1 Pertamina [National Oil and Gas Company] company, 10 PN [state corporations], and 9 former PT [limited liability companies]. Hamoko provided no information as to the names of the chairman or members of this team. "The composition of the team will be decided by the president," he said.

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SUPREME COURT VERDICT ON BUYUNG NASUTION

Jakarta TEMPO in Indonesian 14 Feb 87 p 68

[Article: "Supreme Court Reduces Buyung's Sentence"]

[Text] The Supreme Court reduced Buyung's sentence from a temporary suspension to a warning. The same verdict was handed down by the Indonesian Lawyers Association (IKADIN) 3 weeks ago. But, to what extent is the minister of justice bound by these verdicts?

This time luck was with the well-known attorney, Adnan Buyung Nasution. Ali Said, chairman of the Supreme Court, the final authority for examining the case of Buyung's contempt of court, overturned the lower courts' verdicts. This highest legal body merely handed down a warning at the end of last month. "In the end, it was my opinion that Buyung only deserved to be given a warning," Ali Said told TEMPO last week.

Originally last February, the Central Jakarta District Court decided that Buyung should be disbarred. Three months later that decision was changed by the Jakarta Superior Court to a 6-month suspension from legal activity. However, the Supreme Court felt this verdict was too severe and should be reduced.

What is interesting about Ali Said's decision, which reportedly was forwarded to the minister of justice, is that it is the same as that issued by the IKADIN DPP [central executive committee] Legal Ethics Review Board (DK) 3 weeks ago. It also handed down a warning except that the IKADIN DK examined the Buyung case from the standpoint of lawyers ethics. The Supreme Court, acting as the lawyers overseer, like the lower courts, examined the case from the aspect of contempt of court.

What Buyung did that was considered contempt of court took place when the council of judges, headed by Soedijono, read the verdict in the Dharsono case. Soedijono, who later became a chief judge in Medan, complained about Buying to the Central Jakarta District Court. "His attitude was not commendable. He could have appealed if he was dissatisfied with the judge's verdict, couldn't he?" said Soedijono. Because of Soedijono's complaint, Buyung was tried by the Central Jakarta District Court, the Jakarta Superior Court, and finally by the Supreme Court.

Aside from Soedijono, in the past Rusdi Nurima, president of the Jakarta IKADIN, complained about Buyung to the IKADIN DK, accusing him of violating the lawyers code of ethics because he interrupted the judge. Apparently both the Jakarta IKADIN DPC [regional leadership council] DK and the IKADIN DPP DK--which Buyung had a hand in establishing--felt that Buyung had violated the lawyers code of ethics, and, therefore, they handed down a warning to this member.

Harjono Tjitrosoebono, general chairman of the IKADIN DPP who, along with Buyung, was Dharsono's lawyer, did not defend Buyung in this case. "There is no solidarity. Discipline is important in this organization. Basically, discipline consists of observing the code of ethics. If this code of ethics is not observed, the organization cannot be a trustworthy organization. So, forgive me for not defending a friend," said Harjono firmly.

Buyung, feeling as if he was continually beset by difficulties, of course, was surprised by his colleagues' verdict just because, according to Buyung, he interrupted the judge when he was defending the profession of a lawyer--an act which the judge said was unethical. In handling the case, he said, the IKADIN DK apparently only looked at it from the standpoint of the code of ethics without having any comprehension of the political context. "This was narrowminded on their part because they were not aware of the political connotation," Buyung said angrily.

Buyung was even more disappointed when the IKADIN DPP along with the IKADIN DK 2 weeks ago reported the decision to the minister of justice who has jurisdiction over administrative measures that can be taken against lawyers. "Clearly, they are seeking merit by selling me to the government, aren't they? By doing this, they no longer have any respect for the sovereignty of the profession," Buyung said.

The question now is how much this verdict will affect Buyung's career. The Supreme Court Law of 1985 and the General Court Law of 1986 state that the minister of justice is authorized to take steps against lawyers after hearing the proposals of the chairman of the Supreme Court and the lawyers professional organizations involved. Only, as Justice Minister Ismail Saleh has said, no regulations yet exist for implementation. "We are preparing a joint decision on this matter with the chairman of the Supreme Court," Ismail Saleh said.

However, what does Ismail Saleh have to say about the Buyung case? Although the IKADIN DPP DK reported the verdict, Minister Ismail Saleh felt he did not need to be bound by the decision of the lawyers organization. "Because the IKADIN only handles disciplinary matters involving its members while we do not see it as a disciplinary but as an administrative problem," Justice Minister Ismail Saleh told TEMPO. He feels these two institutions make independent decisions. But what about the Supreme Court decision which is the same as that of the IKADIN? "Just wait," said Ismail Saleh, who is the ultimate authority for deciding the Buyung case.

Buyung, although disagreeing with his colleagues' verdict, cannot accept the opinion of Ismail Saleh who will examine his case from an administrative viewpoint. "A lawyer is not a state administrative official, is he? So it is not possible for him to have to bow to the state administrative regulations. That is wrong," Buyung said. Properly, according to Buyung, the government, in the case of a professional lawyer, should merely legalize the decision of the professional organizations. "Just as the minister of health does in dealing with a doctor's case," Buyung added, still furious.

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# ISLAMIC BOARDING SCHOOL TO SUE PPP FOR LIBEL

## Libel Charges

Jakarta MERDEKA in Indonesian 2 Feb 87 p 1

[Text] Jombang, Sunday [1 February], MERDEKA--The Tebu Ireng Islamic Boarding School, Jombang, East Java, feels compelled to bring legal action against the PPP (Development Unity Party), because it feels that through excessive interference the PPP has done damage to the integrity of the school and has libeled the good name of both the school and its Islamic scholars.

"That action was decided by a Tebu Ireng special team, which had been formed in mid-January to deal with the case of the withdrawal of KH [Islamic Scholar and Pilgrim] Syansuri Badawi as No 1 candidate on the East Java PPP's List of Provisional Candidates for the DPR [Parliament]," stated KH Yusuf Hasyim, director of the Tebu Ireng Islamic Boarding School at Jombang.

The Tebu Ireng School considers the KH Syansuri Badawi case closed. It is left up to KH Syansuri Badawi himself whether he will adhere to his withdrawal or whether he will permit himself to be nominated by the PPP as No 1 candidate for the DPR or the Jombang DPRD [Regional Legislature]. The school's Regulation 1101, dated 25 September 1986, clearly states the school's neutrality and declares that the school does not compel adherence to a viewpoint, a principle that will be applied consistently.

KH Yusuf Hasyim told MERDEKA correspondent Ali Musyafak in an exclusive interview on Saturday afternoon [31 January] that the Tebu Ireng Islamic Boarding School had asked a Jakarta attorney to put together a legal case against the PPP. The attorney had agreed, but Yusuf Hasyim declined to identify him. He also declined to say whether the charges would be civil or criminal, stating the decision would depend on study by the school and its attorney.

"If there is reference to subversion, is that not criminal? But I am not a legal expert," asserted KH Yusuf. If the action takes place, he said, a suit against the PPP by an autonomous educational institution like the Tebu Ireng Islamic Boarding School will be a new legal case for Indonesia. Because it has never been done before, further study is needed.

Yusuf Hasyim feels that the special team has completed its work. Its findings will soon be presented to the full membership of the Nahdatul Ulama (NU) through the Tebu Ireng bulletin. All the findings of the special team will be described in full detail. "In general, the explanation will include what has taken place since KH Syansuri Badawi withdrew his nomination and how his withdrawal became such a heated issue. It will also describe efforts being made to settle the matter in court," Yusuf Hasyim said.

#### PPP Response

Jakarta MERDEKA in Indonesian 3 Feb 87 p 1

[Excerpts] Jakarta, Monday [2 February], MERDEKA--The Central Executive Council (DPP) of the PPP will face with prudence each organizational question that arises, whether internal or external. That was the statement made by PPP Secretary General Drs Mardinsyah in response to the position taken by a "special team of the Tebu Ireng Islamic Boarding School" that the school should sue the party.

"If the suit has merit and meets legal requirements, we will have to face it, of course," he said. "Because we have laws, let us settle this through provisions of law."

Mardinsyah said that the PPP's actions with respect to KH Syansuri Badawi were in compliance with applicable laws and regulations. Everything followed existing procedures.

The PPP's nomination of KH Syansuri Badawi to the DPR had been approved in advance by him in a statement that he had signed himself and through his submission of a form distributed by the General Election Board (LPU) to all candidates. "The nomination of KH Syansuri Badawi thus complied with regulations," he declared.

Furthermore, he said, KH Syansuri Badawi is still a member of the PPP, and he, as a prominent scholar from Jombang, is also on the records as chairman of the Jombang PPP Branch Deliberative Council (MPC) and chairman of the PPP Faction in the Regional Level II DPRD at Jombang. "Are we therefore in error for nominating one of our own members?" asked Mardinsyah.

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DISSIDENT PPP CHAPTERS TO VOTE FOR OTHER PARTIES

Jakarta PELITA in Indonesian 4 Feb 87 pp 1, 9

[Text] Ponorogo, PELITA--Two million PPP [Development Unity Party] members representing 31 of the 37 PPP chapters in East Java have decided to channel their political aspirations through GOLKAR and the PDI [Indonesian Democratic Party] in the 1987 general elections.

That decision was evidenced by statements sent separately to H. Moechari Hadisardjono, chairman of the PPP Regional Executive Council, by the 31 PPP chapters formed as the result of KONPERCAB [Conference of Chapters]. The statements were received directly from each chapter director in the last week of January.

In an exclusive interview with PELITA at Ponorogo on 31 January 1987, H. Moechari, who was accompanied by Drs H. Amin Fauzi (chairman of the PPP DPC [Chapter Executive Council] chosen at the KONPERCAB of the Nganjuk Regency), said that the position taken by PPP members was a result of unconstitutional actions taken by Naro (general chairman of the PPP DPP [Central Executive Council]). Naro disregarded the aspirations of PPP supporters, who in East Java happen to be members of the NU [Nahdatul Ulama]. H. Moechari said the members had chosen PPP DPC and DPW directors in conference forums, as required by existing regulations. Nevertheless, the selections made by the membership were overturned by merely a directive from Naro.

H. Moechari rejected the charge that the PPP members, who, incidentally, were also members of the NU, were leaving the PPP as a result of efforts to "deflate the tires" of the party. "They are leaving the PPP spontaneously after seeing that Naro rejected the determinations of the KONPERCAB," he said.

He stated that this move was the desire of NU members in reaction to Naro's unconstitutional action. The NU members returned to their parent organization, which in turn invited them to choose any of the three contestants. "Since they are not recognized by the PPP, it's certain that they will vote for GOLKAR and the PDI. That's reasonable, isn't it? Why call the action an attempt to "deflate the tires" of the PPP?" asked H. Moechari when queried about "tires-deflating" charges.

He said NU line of struggle stipulates that NU members should support equally the three contestants: the PPP, GOLKAR, and the PDI. "But because members clearly no longer favor the PPP they will vote for the other contestants, namely, GOLKAR and the PDI. Our attitude is not that the NU is 'not going anywhere' but that it 'exists everywhere.' Naturally, those who are everywhere have returned to the NU, meaning that NU members in the PPP, GOLKAR, and the PDI have reunited in the NU," declared H. Moechari.

#### Candidacy Not an Objective

He explained that following the NU Congress in Situbondo, and consistent with the line of 1926, NU leaders in East Java had divided up their responsibilities. Some remained in NU leadership, while others took PPP responsibilities. It is greatly to be regretted, however, that with his directive Naro arbitrarily altered the decisions of the PPP KONPERCAB and KONPERWIL [Provincial Conference] throughout East Java, notwithstanding the fact that the PPP in East Java is dominated by the NU. "Maybe Naro was intentionally trying to demolish the NU in East Java," asserted the PPP figure from East Java, who previously was prominent in the NU in that province.

The PPP leaders selected by the KONPERWIL and KONPERCAB were very much oriented to regional interests and maintained expanding cooperation with local governments. "In fact, the KONPERWIL and KONPERCAB even received financial help from local governments," H. Moechari added.

He stated that the KONPERCAB held on 30 August 1986 throughout East Java, confirmed the leadership selected by the previous KONPERCAB. Nevertheless, the government recognized only the leaders designated in Naro's directive, because the government acted on the legal basis of the matter.

The issue of nominations, which have now been concluded, was not a target of efforts by PPP members who supported KONPERCAB and KONPERWIL decisions. Their focus was the very existence of the conferences, which they supported. "The point is, they continue to recognize DPW and DPC leaders chosen by the KONPERCAB and KONPERWIL," H. Moechari said.

PPP chapter leaders from all of East Java had appointed H. Moechari Hadisardjono and Dra Tatiek Farichah as chairman and secretary, respectively, of the East Java PPP DPW, with both internal and external responsibilities. They were selected to replace H. Sulaiman Fadeli and Ahadin Mintaroen, who had been dismissed. Prior to that, H. Moechari Hadisardjono served as deputy chairman of the East Java PPP DPW, and Dra Tatiek Farichah held the post of deputy secretary of that DPW.

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PDI OFFICIAL URGES MEMBERS TO JOIN NU

Jakarta MERDEKA in Indonesian 4 Feb 87 pp 1, 11

[Text] Surabaya, Monday [2 February], MERDEKA--All members of the Indonesian Democratic Party (PDI) in East Java who are adherents of Islam, whether men, women, or young people, should immediately join the Nahdatul Ulama (NU), which provides religious instruction by the Sunna community, instruction that is extremely suitable for life in Indonesia.

Drs Haji Marsoesi, chairman of the PDI East Java Regional Executive Council (DPD), made this appeal in an interview with MERDEKA at the East Java PPP DPD Office on Putat Indah Street in Surabaya on Saturday [31 January]. Most members of the PDI in East Java are followers of Islam. It is therefore appropriate indeed that the social ideals of their religion should be channeled through the NU organization.

According to Marsoesi, membership in the NU organization is very relevant for PDI members who are adherents of Islam, for the NU's teachings show the way to doing good and are effective in the lives of the party's members.

"In my own family, we are diligent in the program of the NU, which includes such things as study of the Koran. In fact, my wife and daughters are finalizing administrative procedures for becoming members of the NU Women's and Young Women's Organization," he declared.

Marsoesi said the East Java PDI greatly desires that members of the NU clergy be present to give lectures on Islam in order to foster the faith in God of PDI members.

Such lectures will strengthen the conduct and morality of PDI members, enabling them to be people of faith and praiseworthy character.

"Following the reversion of the NU to the line of 1926, the East Java PDI wants to take maximum advantage of NU teachings, for which the participation of the NU clergy is eagerly awaited," Marsoesi said.

He added that the PDI will be increasingly strengthened by its members' joining the NU, for they will thus be forged into a cadre possessing admirable mental attributes and increasingly noble ideas.

After the general election, according to Marsoesi, the PDI will put forth a complete cadre program. In that way, the molding of a new, high-quality cadre possessing good mental attributes will proceed.

"The only ones who can create those good mental attributes are the NU clergy," he declared.

Plans call for the formation of cadre down to the village level, where they will be called KAPEDES (Potential Village Cadre).

#### Give Instruction

The chairman of the East Java PDI also took the opportunity to say that PDI members in the regencies of Nganjuk, Probolinggo, Gresik, Jember, Trenggalek, Mojokerto, Sumenep, and Kediri have joined the NU in throngs and are actively participating in all its activities. Members from other areas in East Java will follow.

According to Marsoesi, from the days of the PNI [Indonesian Nationalist Party] many PDI members historically have belonged to the NU. Their numbers increased significantly in 1966-67. Now that the NU has reverted to the line of 1926, there will be even more PDI members who join the NU. In fact, it is hoped that all will join.

The current good relationship and spirit of cooperation must be made even better, both before and after the forthcoming general election, said Marsoesi. Such cooperation is not temporary but is strategic and long-term.

Marsoesi added that an NU clergyman or prominent figure is now invited to every PDI activity in East Java to recite the Koran or to pray. The PDI considers their presence to be an honor.

"The PDI is very fortunate that the NU clergy were given freedom by the NU Congress, for the faith of PDI members will be increasingly strengthened by the frequent religious instruction they will receive," he stated, reiterating his optimistic views.

After the middle of February, Marsoesi said, the East Java PDI will invite Haji Abdurrahman Wahid, general chairman of the PBNU [Nahdatul Ulama Executive Council], to Surabaya to conduct Koran-reading. According to Marsoesi, the PBNU general chairman has stated his willingness to be present among PDI members in East Java, seeing they so greatly desire his presence.

6942/9604

CSO: 4213/57

NU LEADERS FAULT PPP FOR ISLAMIC STANCE

Jakarta PELITA in Indonesian 6 Feb 87 pp 1, 9

[Excerpts] Jakarta, PELITA--The Development Unity Party (PPP) is still the only political party that is exclusive and that has not fully accepted Law 3/85. The PPP should have become an open party and should no longer include a bias toward religion in its AD/ART [constitution/bylaws].

Those statements summarize an interview by PELITA correspondent H. Chairul Lubis with H. Abdurrahman Wahid, general chairman of the PENU [Executive Council of the Nahdatul Ulama] and H. Syaiful Mudjab, one of the PBNU chairmen.

Arrogant

When asked his opinion about the PPP's position with respect to Law 3/85, PBNU General Chairman H. Abdurrahman Wahid said that under that law political parties and GOLKAR may no longer have a religious basis. Those who still act in the name of Islam within a party like the PPP are merely promoting religion within the bounds stipulated by the law, but the PPP is not an Islamic party. Any who want to promote Islam through the PPP may do so. They may also do so through GOLKAR, the PDI [Indonesian Democratic Party], and other groups. The law also provides for channels for the promotion of Islam, such as the NU [Nahdatul Ulama], Muhammadiyah, the MDI [Islamic Preaching Council], and others.

"In my opinion, the PPP's claim that it promotes Islam is too arrogant. Each Muslim may promote Islam wherever he is," declared the PBNU general chairman.

He emphasized that the PPP as a political party is not the only channel for the promotion of Islam. There are many Muslims in GOLKAR and in the PDI. All Muslims promote Islamic interests in addition to the interests of the state and the people.

Concealing Something

In reply to a question as to whether the PPP had complied with Law 3/85 in view of a bias toward religion in its AD/ART, he said that he was not acquainted specifically with the PPP's official documents.

Nevertheless, said H. Abdurrahman Wahid, who is known by the nickname "Brother Dur," if one notes the thinking and the written and spoken views of PPP leaders, who insist on votes for the PPP as the Islamic party, it is clear that the PPP has not yet complied with the requirements of Law 3/85. In other words, something is still concealed in the PPP.

According to Brother Dur, the offering of Islam through the PPP is naive, because the people can no longer be deceived. An Islamic banner for political parties and organizations is an anachronism, for there are well established organizations like the NU and Muhammadiyah that can express Islam and that are entrusted by the people with the Islamic banner. "There is no longer an Islamic party," he asserted.

The PBNU chairman declared that Islam should not be exploited for exclusive interests by political parties. An Islamic viewpoint in political life is held by all Muslims, whether in GOLKAR or the PDI, and not merely by those in the PPP.

#### Cannot Be Depended Upon

Similarly, H. Syaiful Mudjab, a PBNU chairman, feels that the PPP is the property of all Indonesians without exception if the party is based upon Pancasila as required by Law 3/85. It cannot exist exclusively for the followers of a single religion, but it must be for the followers of all recognized religions in the country.

He thinks that because of the inclusion of an Islamic bias in the PPP's AD/ART the party in fact does not get the support of the Islamic community. Other parties have become suspicious, whereas the Islamic community does not want to be suspected of something.

Because the PPP, as a political party founded on Pancasila, still retains an Islamic leaning, the PPP clearly is still not an open party and cannot be depended upon as a channel for the aspirations of all the Indonesian people, he said.

H. Syaiful Mudjab stated that the NU definitely will not entrust Islamic religious aspirations to a political party like the PPP. NU members will channel such aspirations only through the NU as an ORMAS [mass organization] that is in compliance with Law 3/85. "NU members will carry the banner of Islam via the NU and do not need the PPP," he declared.

6942/9604

CSO: 4213/57

## SELF-SUFFICIENCY IN RICE THREATENED BY POPULATION GROWTH

Jakarta MERDEKA in Indonesian 10 Feb 87 p 8

[Text] Bandar Lampung, Monday [9 February], MERDEKA--The permanence of Indonesian self-sufficiency in rice is now of increasing concern because of the continuing failure of rice production to keep up with annual population growth.

That matter was presented by Engr Wardoyo, Junior Minister for Food Production (MENMUD UP3), in Central and South Lampung on Saturday [7 February].

The MENMUD UP3 said that rice production rose by 8 percent in 1983 and 1984, by 2.3 percent in 1985, and by only 0.6 percent in 1986. Rice production is targeted for an increase of 2.4 percent to 27.384 million tons in 1987.

The increase of 2.4 percent in rice production should be given attention by everyone, including farming elements and associations, and not by the Department of Agriculture alone.

A rice production increase less than the population growth is dangerous, the MENMUD told farming elements and associations from all of the sub-districts of Trimurjo and Gunung Balak, Central Lampung. He also made that statement in coordination meetings with BIMAS [Mass Guidance for Self-Sufficiency in Food] management and implementation units from all of Lampung and to farming associations from South Lampung.

### Campaign

MENMUD Wardoyo was in Lampung for 2 days for a first-hand look at food agriculture development in Lampung and to remind everyone involved in farming of the importance of improving food production, especially of rice. He also campaigned for a comprehensive effort against plant pests, as intended by INPRES [Presidential Instruction] 3/86.

A comprehensive antipest drive is not independent of the efforts to increase food production. The antipest drive includes such things as the use of top quality, pest-resistant varieties of seedlings, the control of planting

methods and types of plants, and the protection of natural enemies of plant pests, which have become almost extinct as a result of the excessive use of pesticides.

The MENMUD suggested to farmers that they spray with pesticide only when plants have already become infected. Spraying is most effective when done at the time that eggs are hatching, for if the spraying is done before the eggs hatch they will not be killed, regardless of the pesticide used.

In that way, the burden of increasingly expensive pesticide will be reduced for farmers, and the burden of pesticide subsidies will also be lessened for the government.

Following devaluation, the MENMUD UP3 said, government subsidy for pesticides rose from 75 percent to 82.5 percent.

The MENMUD also urged agriculture field extension workers and pest observers to expand their knowledge of the natural enemies of plant pests so that they may better inform the farming community.

Consistent with the policy of INPRES 3, MENMUD Wardoyo added, the government is making available only 6,000 tons of pesticide, which is half of the amount needed. Pesticide subsidies in fiscal 1987-88 will be reduced to only 203 billion rupiahs from the 1986-87 figure of 671 billion rupiahs.

6942/9604

CSO: 4213/57

BIOGRAPHIC INFORMATION ON INDONESIAN OFFICIALS

Major General Setijana

Jakarta KOMPAS in Indonesian 13 Jan 87 pp 1, 8

[Excerpt] Semarang, KOMPAS--Lieutenant General Try Sutrisno, Army chief of staff, officiated the installation ceremony and handing over of the post of PANGDAM [commander of military region] IV/Diponegoro by Major General Harsudiyono Hartas to Maj Gen Setijana.

The ceremony was held on Monday [12 January] at the KODAM [military region command] IV/Diponegoro Headquarters parade ground. On 5 January, Maj Gen Harsudiyono Hartas was promoted to assistant for socio-political affairs at the ABRI [Indonesian Armed Forces] Headquarters in Jakarta.

Went to the Same School

Maj Gen Setijana, 47 years old, who replaced Maj Gen Harsudiyono Hartas, previously was the PANGDAM VII/Trikora. On return from Vientiane, Laos, early in the 80's, Setijana was drawn to Jakarta to take the position of assistant for intelligence at the KOSTRAD [Army Strategic Reserve Command]. A graduate officer of the AMN [National Military Academy] in 1961, Gen Setijana had been posted to the Laotian capital as Republic of Indonesia military attache. After he served at the KOSTRAD, he was a staff officer on the Army Headquarters Operations Staff before being promoted to chief of staff of KODAM XIII/Merdeka. When the KODAM XIII/Merdeka (in North Sulawesi) was liquidated, he was promoted to chief of staff of KODAM V/Brawijaya (in East Java).

Maj Gen Setijana's career since he became assistant for intelligence in the KOSTRAD rose rapidly, and he held various positions, on the average, for only a brief time. He was chief of staff of the Brawijaya Military Region for only 9 months and served with the Trikora Command for 10 months.

A number of observers who know him judge Setijana to be flexible and open-minded. "His open-mindedness was notable when he was assigned to KODAM V/Brawijaya," said Agus Siswadi, a retired major general. Agus observed Setijana from the time he was in training at the AMN. "I really got to know individually a number of officers who graduated from the AMN

from 1960 to 1961," said Agus Siswadi, who was the commandant of the AMN Taruna Regiment in the sixties. The last post of this veteran, who now grows orchids, was chief of staff of KOWILHAN [Defense Area Command] III/East Kalimantan, South Kalimantan, and Sulawesi, under Lt Gen Witono.

Setijana and Harsudiyono Harta went to the same school, the State Junior Middle School II in Sala. They met again later at the AMN. Setijana's friends at the AMN called him by the nickname, "dengkek," one who walks with his back slanting backward, because of his height and the way he walks, Agus Siswadi said. At the academy, Setijana was known for playing good volleyball and basketball.

Maj Gen Setijana (pronounced Setiyono--editor) was assigned to West Sumatra as a battalion commander in the 70's.

#### Air Marshal Iskandar Dies

Jakarta KOMPAS in Indonesian 13 Jan 87 p 3

[Excerpts] Jakarta, KOMPAS--Air Marshal Iskandar died at dawn on Monday [12 January]. At the end of his life, the deceased headed the National Aviation and Space Agency (LAPAN). During his life, Iskandar held a number of important positions in the TNI-AU [Indonesian Air Force], including commandant of the Guided Missile Squadron, commandant of the 100th/Guided Missile Air Defense Wing, commander of the Air Defense Command, commander of the Ist/North Sumatra Air Regional Command, governor of the AKABRI [Indonesian Armed Forces Academy] Air Arm, commander of the National Air Defense Command, and inspector general of the ABRI [Indonesian Armed Forces] Headquarters.

6804/9604

CSO: 4213/63

## BRIEFS

ISLAMIC MONTHLY BANNED--Jakarta, Wednesday [18 February], MERDEKA--Sukarno, S.H. [master of laws], director general of Press and Graphics Development (PPG), acting for the minister of information, revoked the STT (registry certificate) granted to the monthly magazine, SINAR ISLAM, No 155/P/SK/Ditjen PPG/STT/1981, dated 20 November. As of 3 February 1987, the date of the revocation, publication of this magazine is prohibited. Moreover, copying and/or reprinting as well as distributing the magazine are also prohibited. Minister of Information Decision No 01/SK/Ditjen PPG/K/1987, which was delivered today, notes that the government is taking this step because the monthly magazine was distributed widely to schools and public libraries and was mailed to the public. In accordance with article 2, paragraph (4) of Minister of Information Regulation No 01/PER/Menpen/1975, readers, in principle, are limited to those who are closely related to the special publishing field involved, namely, the adherents of the Indonesian Ahmadiyah Community. The Department of Information felt the distribution of the monthly magazine, SINAR ISLAM, published by the Indonesian Ahmadiyah Community Executive Board, whose address is 7 Tawakal Ujung Raya Street, Jakarta, had expanded to cover all levels and groups of society where such distribution might create concern both among the parents of students as well as among Muslims who are not adherents of the Ahmadiyah. Taking into account also the decision reached at the MUI (Indonesian Ulema Council) National Working Meeting held on 4 August 1984, which concluded that Ahmadiyah teachings might be cause for concern because they conflicted with the teachings of Islam, the Department of Information judged that the magazine, SINAR ISLAM, wittingly or unwittingly strayed from and violated the minister of information's regulation. Earlier the government had approved the publication of this monthly magazine. [Text] [Jakarta MERDEKA in Indonesian 19 Feb 87 p 2] 6804/9604

AIRPORT TERMINAL CONTRACT SIGNED--Jakarta (AB)--The second-phase construction contract for the Soekarno-Hatta Airport was signed at the end of December by the Indonesian Government and the contractors, SSC of France and Waskita Karya of Indonesia, who will complete construction within 39 months. Questioned by a member of Parliament's Commission V yesterday in Jakarta during a fact-finding session, Sutoyo, director general of air communications, said the physical construction contract was valued at 99 billion rupiahs and 435 million French francs. A design preparation contract was signed on 22 August 1986, prior to the signing of the physical

construction contract on 26 December. It covered a 11-month work period and was valued at 1 billion rupiahs and 28 million French francs. The second-phase Soekarno-Hatta Airport terminal is to be used for flight operations after 1990. With the completion of the second construction phase, the airport will be able to handle commercial flight requirements via Jakarta up to the year 2005. As is known, the greater part of the construction of the Soekarno-Hatta Airport, which has been operating now for almost 2 years, was done with a French loan of some 750 billion rupiahs. In the first phase of construction, the infrastructure built covered various airport needs including a landing field, navigation and communication equipment and so on. In the second phase, only a passenger and goods terminal building and all related facilities, including an aircraft parking apron, will be built. [Text] [Jakarta HARIAN UMUM AB in Indonesian 20 Feb 87 p 1] 6804/9604

ECONOMIC COOPERATION WITH NETHERLANDS--The Indonesian and Netherlands Governments have signed an agreement in an effort to increase trade relations and economic cooperation between the two countries. The agreement was signed by the director general of foreign economic relations of the Foreign Office representing the Indonesian Government, and the director general of foreign economic relations of the Economic Ministry representing the Netherlands Government. [Summary] [Jakarta International Service in English 0800 GMT 28 Mar 87 BK] /6662

ELECTRIC POWER SYSTEM INAUGURATED--The minister of mines and energy commissioned the operations of the Java-Madura submarine cable electricity system at Bangkalan Regency, Madura, recently. The Java-Madura submarine cable system is the first of its kind in Indonesia. On the occasion, the minister said that with the completion of the system 680 villages in Madura can now enjoy electricity. [Summary] [Jakarta International Service in English 0800 GMT 28 Mar 87 BK] /6662

CSO: 4200/460

ANWAR ON MEETING WITH PAS' HADI AWANG IN U.S.

Kuala Lumpur BERITA HARIAN in Malay 2 Jan 87 p 1

[Article by Badrulhisham Othman: "Meeting of Anwar and Hadi Awang in America; Discussion Is a Good Sign"]

[Text] Kuala Lumpur, Thursday [1 January]--Mr Anwar Ibrahim, president of the UMNO [United Malays National Organization] Youth Movement, is convinced that there will be good cooperation between the PAS [Pan-Malayan Islamic Party] and the UMNO because of the PAS leaders' readiness to hold a discussion.

According to Mr Anwar, the readiness exhibited by the PAS leadership, including Haji Abdul Hadi Awang, the vice president of that party, whom he met in Peoria, Arizona, United States, recently, is a good sign that the PAS-UMNO discussions will be successful.

Political differences should not prevent Muslim members of either party from holding discussions, he said, when he formally opened the Consciousness Raising Congress for Muslims promoted by the UMNO Youth Movement Propagation Bureau here today.

Mr Anwar said he was aware that the attempt to make the PAS-UMNO discussions succeed was still strongly opposed by groups in both parties.

"Perhaps we are not united on resolving differences between the two parties.

"But this should not be the reason for not having a meeting of minds between the two parties on cooperation for the development of Islam here," he said.

Mr Anwar regretted that some people, who dismissed the attempt to hold the UMNO-PAS discussions, regarded this as some sort of a trick played by the National Front government.

Brotherhood

"Instead, the discussions held between the UMNO and the PAS, which involved the top PAS leadership and the prime minister not long ago, created a great hubbub among the PAS members," he added.

Mr Anwar said both leaders who wanted to hold discussions should not lose hope because of past failures.

"We should make our members realize that a discussion is not an arena for brawling but is a place where brotherhood can be strengthened," he said.

He also explained that his meeting with Haji Abdul Hadi Awang, PAS vice president, in a forum held by the Malaysian Islamic Studies Student Group (MISG) in Peoria, Arizona, recently, was proof that it was not unreasonable for the PAS and the UMNO to hold a discussion.

"In the 2 and 1/2-hour forum, I and Haji Hadi discussed the future of Islam in this country, the importance of respecting a multi-ethnic national structure, dialogue between both parties as well as other things that are happening in this country now.

"Although no conclusions were reached in that forum, I feel it was successful and was conducted in a calm atmosphere. If such an open discussion could be held, I do not see how a closed discussion would be deadlocked," he said.

Earlier, Mr Anwar also reminded leaders to maintain their self-respect and guard their morals so that they are respected and can offer more meaningful support to the people's development.

"Immoral leaders will lead the people astray while immoral politics will form leaders who are crazy for power, indulge in activities that amass wealth without regard for the law, and view justice as inconsequential," he said.

According to Mr Anwar, a few people in Malaysia are beginning to indulge in slandering certain persons for their own interests.

"The people will respond to this by feeling that fraud, corruption, and falsehood are needed to win in politics as well as in trade," he explained.

It has become UMNO's responsibility, he said, to solve this problem for its self-respect as an organization that struggles to maintain the standards of Islam and Malays.

Mr Anwar also said that all Muslims must become involved in the propagation of Islam.

6804/9604

CSO: 4213/51

UMNO YOUTH DELIVERS NOTE ON AFGHANISTAN TO SOVIET EMBASSY

Kuala Lumpur BERITA HARIAN in Malay 1 Jan 87 p 2

[Article: "Aggression Toward Afghanistan; Youth Delivers Protest Note to Soviet Union"]

[Text] Kuala Lumpur, Wednesday [31 December]--Today the UMNO [United Malays National Organization] Youth Movement delivered a protest note to the Soviet Embassy here stating the movement's strong disapproval of Russia's aggression in Afghanistan.

Haji Tajuddin Abdul Rahman, a member of the movement's executive committee who represented Mr Nazri Tan Sri Aziz Yeop, its International Bureau chairman, headed the seven-person delegation which delivered the note to Mr Victor Rodionov, first secretary of the Soviet Embassy, at midday.

The protest note, which was signed by Mr Nazri and Mr Mustapha Yaakob, assistant secretary of the UMNO Youth, stated the movement's support of the Afghan Mujahidin struggle and denounced Russian aggression.

According to Haji Tajuddin, the note contained five important matters that must be given attention by the Soviet Union.

Terrorist Nation

- The UMNO Youth Movement denounced the aggression of the Russian Army, now in Afghanistan for the 7th year, and urged the Soviet Union to withdraw immediately and unconditionally from Afghan soil.
- Denounced the regime of Dr Najibullah, who it felt indulged in adventurism for his country and became Russia's puppeteer. Dr Najibullah should be turned over to the Mujahidin for suitable punishment.
- Felt the Soviet Union had failed to act like a prestigious and internationally respected nation with its aggression toward other nations, especially Afghanistan. It called such behavior international terrorism.
- Felt the Soviet Union was responsible for killing women and children as well as for burning the homes of the Mujahidin to achieve its evil goals.

- In commemoration of the date of the Soviet Union's aggressive acts in Afghanistan, the UMNO Youth urged Russia to withdraw immediately and unconditionally from Afghanistan and to hold free elections in that country.

According to Haji Tajuddin, in the meeting with Mr Rodionov the Soviet official attempted to explain away Russia's meddling in Afghanistan, but his clarification was unacceptable to the UMNO Youth.

Haji Tajuddin explained that the UMNO Youth opposed inhumanitarian and anti-peace measures and those which violated international law regardless of whether such steps were taken by the United States, Israel, or the Soviet Union.

"Our principle is to struggle for justice, peace, and freedom. The question of whether we oppose the Soviet Union and support the United States does not arise," he said.

According to Haji Tajuddin, the UMNO Youth will oppose with all its might any parties that act in conflict with this principle.

The UMNO Youth's views on this matter, he said, are clear and definite.

In regard to Afghanistan, he said the UMNO Youth asked the Soviet authorities to offer total freedom to the Afghan people to determine their own pattern of government and leadership as well as the future of their country.

6804/9604

CSO: 4213/51

## BRIEFS

GERAKAN MOVES UP ASSEMBLY--Kuala Lumpur, Sunday [4 January]--The GERAKAN Party [Malaysian People's Movement] will hold its general assembly on 9 and 10 May while the general assembly for its Youth and Women's Movement will not be held until 30 September. The general assembly, which had been scheduled for August, was moved up to avoid "undue political games" and to face the challenges of 1987. Mr Kerk Choo Ting, GERAKAN secretary general, said the party's central executive committee decided on the dates for both these assemblies at a meeting held today. The election of new party officers, he said, will be held at the central and Youth and Women's Movement general assemblies in Kuala Lumpur. "Delegates will elect a president, a deputy president, three vice presidents, a secretary general, a general treasurer as well as 24 members of the central executive committee on 9 and 10 May at the GERAKAN general assembly," he said. Mr Kerk noted that delegates to this assembly were selected in divisional and state elections held last year. "GERAKAN parties at the division and state levels elected their delegates last year. Therefore, the GERAKAN Central Executive Committee feels they are still eligible to attend this general assembly," he said. Mr Kerk mentioned that a separate date was established for the GERAKAN Youth and Women's Movement general assembly at the request of the movement. "This is the movement's first general assembly. Therefore, its leaders wanted their assembly to be held separately," he said. "In the present situation, we must be less political and must concentrate our forces on developing the nation and the welfare of the people whom we represent," he remarked. [Text] [Kuala Lumpur BERITA HARIAN in Malay 5 Jan 87 p 1] 6804/9604

RELIGIOUS SCHOOL ENROLLMENT INCREASES--Kota Baharu, Tuesday [30 December]--Next year 11,147 students will enroll in 11 religious middle schools that are fully supported by this state's government, an increase of 18.37 percent over the 9,417 students who entered such schools this year. Haji Salleh Mohd. Akib, director of the Kelantan Islamic Foundation (YIK), said this did not include those who will enroll in the 76 people's religious schools. Their number is projected to increase from the 13,856 enrolled in such schools this year. According to Haji Salleh, the number of students requesting enrollment in religious middle schools rises each year due to a number of factors, one of which is the parents increased awareness of the importance of religious education for children in these modern times.

"In religious schools, a knowledge of religion to fill a spiritual void and a greater opportunity to study religion at an advanced level are offered in addition to placing heavy stress on academic studies," he said. The increased enrollment, he noted, was also due to the high performance in all levels of religious middle school examinations each year because of the variety of programs offered by the foundation. In this connection, Haji Salleh said, his foundation will try to raise performance in all people's religious schools in this state so that they can become schools that are fully supported by the government. [Text] [Kuala Lumpur BERITA HARIAN in Malay 31 Dec 86 p 6] 6804/9604

CSO: 4213/51

RAMOS CLAIMS NEW POLICY 'HAS CHECKED INSURGENCY'

HK030143 Manila Far East Broadcasting Company in English 2300 GMT 2 Apr 87

[Text] The government's counter-insurgency campaign of all-out force and all-out friendship [phrase as heard] is now in full swing nationwide. Armed Forces Chief General Fidel Ramos said the new policy adopted by the military has checked the growing insurgency problem posed by the NPA. Ramos said he was satisfied that field commanders all over the country are following the security conscious during combat operations, minimizing casualties.

Gen Ramos made the statement while launching the government's program for rehabilitating rebel returnees in Kidapawan, Cotabato, by releasing P84,000 to 27 [figure as heard] muslim rebels who surrendered and applied for loans, with their firearms as collateral. The 27-man rebel group belonging to the Reformist Moro National Liberation Front of the Dimas Pundatu faction was headed by renegade Army Staff Sergeant Fernando Patricio, alias Kumander Roger Abdullah. Abdullah turned over to Ramos an M-14 assault rifle and 22 other high-powered firearms, 1 Browning automatic rifle, a grenade launcher, A Thompson submachine gun, 3 carbines and 2 Garrand rifles. The rest were shotguns and .45-caliber pistols.

/12232

CSO: 4200/464

DETAILS OF NPA SURRENDER, RAMOS VISIT IN COTABATO

HK021140 Manila Radio Veritas in Tagalog 1000 GMT 2 Apr 87

[Text] Ramos left for Makilala, North Cotabato where he recently received the NPA and MNLF surrenderees. He spoke with the military officials in that area on the anti-insurgency campaign. Later, Ramos headed for Cotabato City where he emphasized that the military has sufficient capacity to launch an offensive against the rebels. He also called on the rebels to return to the fold of the law. Joel Maglingo of DXMS Cotabato has the details:

[Begin recording] The general made the statement during his meeting with the military field commanders and the NPA rebels who surrendered this morning. In a brief visit at the Philippine Army's 12th Infantry Brigade's headquarter's in Hawang, Binaig, Maguindanao, Ramos spoke to 12 rebels captured by the military. One of them is identified as the deputy secretary general of the NPA's front 27. He has control of many areas in Davao del Sur and Cotabata Provinces. Yesterday, Rodolfo Corpin, alias Commander Bakay, a high-ranking NPA official of Mindanao was captured by the soldiers of the 46th Infantry Battalion inside a convent in the paris of Makilala, Cotabato. In an interview, Bakay confirmed to General Ramos that the priests assigned to that parish knew him even before he was captured because of his frequent visits there in the past monghs. In an interview with NBBC news, parish priest Father Edwin Tanandro of Makilala and Father Paul Baracha denied that they know Bakay very well. According to them he is known as black. They also said that just like any other citizen, Bakay should be treated according to the church's obligation to the people. In addition, General Ramos said the military will treat the rebel surrenderees well. He also received the MNLF group in Kinapawan, Cotabato, this morning after he was given a briefing on the peace and order situation by Brigidier General Jesus Hermonsa. In an interview, Hermosa said he will get to the bottom of the accusation of Father Baracha that one of the army men shouted at him as being a communist during Bakay's capture in the convent. These reports in DXMM Cotabato reporting for the Philippine Federation of Catholic Broadcaster's Network, Joel Maglingo DXMS. [end recording]

/12232

CSO: 4200/464

REPORTAGE ON RENEWED GOVERNMENT-MNLF TALKS

Differences Outlined

HK301323 Manila PHILIPPINE DAILY INQUIRER in English 30 Mar 87 pp 1, 7

[Text] Zambaonga City--The peace panels of the government and the Moro National Liberation Front (MNLF) have agreed on a "confidential agenda" as the basis for new discussions which start on 9 April, government negotiator Norberto Gonzalez said yesterday.

In an interview, Gonzalez said, the government panel and MNLF Chairman Nur Misuari have approved a comprehensive agenda which they agreed to keep under wraps pending the resumption of talks.

Gonzalez said the agenda may be the starting point toward the settlement of the 14-year-old secessionist problem in Muslim Mindanao.

"There is room for optimism," said Gonzalez.

The government negotiator met Misauri in Sulu over the weekend, following threats that the MNLF would go back to war if nothing substantial comes out of the talks.

Gonzalez said Misuari is committed to the peace process and the Bangsa Moro's desire for autonomy.

The definition of autonomy and how to achieve it are the main problems in the forthcoming talks, Gonzalez said.

While the government panel wants the constitutional definition of autonomy as the reference point, the MNLF has rejected the provision.

The MNLF wants the government to go beyond the constitutional provision, proclaim self-rule by presidential decree in Muslim Mindanao and to suspend local elections.

Gonzalez said there are also conflicting ideas on how to best serve the democratic aspirations of Muslims in Mindanao.

While the government panel believes in referenda and plebiscites, the MNLF is for the traditional consultation with Muslim leaders.

"There are times when we are operating on different wave-lengths," said Gonzalez.

The news on the resumption of the peace talks on 9 April was not enough to calm the frayed nerves of this city, which had become a virtual battleground between the military and MNLF forces.

"Many people will die in the streets, many children will be calling out for their missing parents. The dogs will eat human flesh. We will again hear the sound of Armalites, mortars and bombs," Amilbangsa Parajadi, a Muslim resident here said in a letter sent to a local tabloid to express his fears on a new Government-MNLF war.

Adding to the fears of the city is the report that Hashim Salamat, a Middle East Based leader of another faction in the Muslim rebel movement will be arriving in the country soon to join the peace talks.

Salamat's Moro Islamic Liberation Front was blamed for the rash of bombings and attacks in Central Mindanao before the 2 February plebiscite on the Constitution.

#### Misuari, Emissary Affirm Commitment

HK280342 Manila Far East Broadcasting Company in English 2300 GMT 27 Mar 87

[Text] Moro National Liberation Front Chairman Nur Misuari yesterday reaffirmed his commitment to continue the peace talks with the government on the terms of a (?government) for Muslim Mindanao. Businessman Norberto Gonzales, a member of the government panel who visited Misauri yesterday morning in Indanan, Sulu, quoted Misauri as saying that the key to the talks is the sincerity manifested by President Aquino by meeting with Misuari in Jolo last September 5 and finding a solution to the secessionist problem in Mindanao. Misuari was earlier reported to have said that the MNLF will pull out from the talks unless the government panel responds with a written counterproposal to be MNLF proposals submitted on 20 February to the Mindanao Commission.

Gonzales said it was possible that Misuari was being agitated by some sectors even if or the MNLF panel reported to him about talks. [as heard]

In a related statement, Muslim Rebel Emissary Habib Muhjahab Hashim allayed fears of renewed violence in Mindanao while talks with government are going on to settle the 15 year old secessionist problem in southern Philippines. Hashim, head of the Moro National Liberation Front panel, gave this assurance prior to his departure for Jolo where he is expected to report on the progress of the talks to MNLF Chairman Nur Misuari. Hashim was reacting to published reports that Misuari is calling off the talks and preparing for renewed hostilities with the government. He said the media is playing up on the delay in the arrival of an agreement and sensationalizing sensitive issues which does more harm than good.

TATAD CLARIFIES ENRILE APOLOGY FOR TOPPLING MARCOS

HK021204 Hong Kong AFP in English 1019 GMT 2 Apr 87

[Text] Manila, 3 April (AFP)--Right-wing opposition leader Juan Ponce Enrile never apologized for helping topple former leader Ferdinand Marcos but only said sorry to people hurt by events, an opposition spokesman said here Thursday.

Francisco Tatad, a spokesman for the Grand Alliance of Democracy (GAD) said controversial remarks by Mr Enrile "did not contain any apology" for his role in the February 1986 uprising that forced Mr Marcos into exile.

A former press secretary for Mr Marcos, Mr Tatad is a senate candidate on the GAD slate for May elections together with Mr Enrile.

"He played a role which was made inevitable by historical circumstances. If that role of his led to events that hurt certain people, that could not be avoided and he was sorry for those that had been hurt," Mr Tatad told reporters.

Mr Enrile's remarks during a campaign stop in Mr Marcos's bailiwick in Ilocos Norte Province last week have been denounced by some opposition colleagues as an apology for toppling Mr Marcos.

Mr Enrile, 63, led a mutiny against Mr Marcos after being his defense minister for 16 years. He served President Corazon Aquino in the same post until he was sacked last November for alleged links with a coup attempt.

Many Marcos supporters, particularly in Ilocos, consider Mr Enrile a traitor. Mr Enrile hails from Cagayan Province, part of the Ilocos region.

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CSO: 4200/464

OIC'S SACKED FOR CAMPAIGN DISOBEDIENCE

HK030225 Manila Far East Broadcasting Company in English 2300 GMT 2 Apr 87

[Text] Local Governments Secretary Jaime Ferrer yesterday [2 April] fired four officers-in-charge [OIC's] either for supporting opposition candidates or for not supporting administration party candidates. These firings brought the total to 5. The first case was Toledo City OIC Mayor Amado Aprieta. Ferrer's action reflects his policy enunciated early in the congressional election campaign for strict adherence to the party line. The 4 OIC's fired yesterday were Alexander Aquilar of Muntinlupa, Metro Manila, for supporting his father, an opposition candidate for congressman in the Las Pinas, Muntinlupa District; Francisco Lecaros of Santa Cruz, Marinduque, for campaigning against the administration's official congressional candidate in Marinduque; Froilan Pimentel of Daet, Comarines Norte, for campaigning against the administration's official congressional candidate in the province; and Fidel Aguirre of Mulanay, Quezon, for campaigning against the administration's official congressional candidate in Quezon.

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CSO: 4200/464

\$3 BILLION TRADE FACILITY SAID EXTENDED TO 4 YEARS

HK021341 Manila MANILA BULLETIN in English 2 Apr 87 p 17

[Text] The country's creditor banks agreed to give the Philippines a 4-year extension the \$3 billion trade facility which is set to expire on 30 June, 1987, sources in the foreign banking community said yesterday.

The trade facility had been extended to 30 June 1991, foreign banking sources said.

The extension of the trade facility was part of the debt rescheduling agreement that the government forged with the 12-bank Advisory Committee representing the country's 483 creditor banks, sources said.

Under the debt accord, deposits with the Central Bank under the trade facility will carry a reduced interest spread of 3/4 or 0.75 percent over the London Interbank offered rate from the original rate of 1 and 1/4 percent over Libor.

The trade facility, only half of which had been actually used up, was utilized mainly by importers to finance their import activities during the last couple of years.

The \$925 million new money facility obtained by the country from its commercial bank creditors in 1985 was excluded from the debt rescheduling agreement forged by the government with banks last week because principal payments on the loan would be made as scheduled, the sources in the foreign banking community disclosed.

Under the debt accord struck by the government with the 12-bank Advisory Committee representing the country's 483 commercial banks, the Philippines will have to start paying the principal on the trade facility in 1990 at a reduced interest spread of 3/4 or 0.75 percent over the London Interbank offered rate (Libor), from the previous rate of 1 and 1/4 percent over Libor, sources said.

Failure of the government to make the principal payments as scheduled would mean a penalty involving an increase in the interest spread to 1 percent over Libor, sources said.

Prior to the start of the principal payments, the government has agreed to make token prepayments on the trade facility over a 3-year period from 1987 to 1989 representing 4 percent of the principal balance of the new money facility.

Finance Secretary Jaime V. Ongpin, who was conspicuously silent on this portion of the debt accord with the Advisory Committee, said prepayments over the 3-year period would amount to \$111 million, and would not pose any problem to the government considering the country's current \$1.5 million gross international reserves.

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CSO: 4200/464

CENTRAL BANK GOVERNOR DENIES GRAFT CHARGES

HK311207 Manila PHILIPPINE DAILY INQUIRER in English 31 Mar 87 p 8

[By Oscar M. Quiambao]

[Text] Central Bank [CB] Governor Jose B. Fernandez Jr. yesterday offered to resign from his post as he maintained that the sale of Pacific Bank was above board, and that he no longer had interests in the buyer, Far East Bank.

"I am making available to the president a detailed report on this matter. With this report, I place my position at the CB entirely at her pleasure," Fernandez said in a prepared statement.

The teary-eyed Fernandez told newsmen in a press conference that he had submitted the report the other day to President Aquino on the liquidation and sale of the Pacific Banking Corp. and his divestment in Far East Bank and Trust Co. where he was the chairman before he became CB governor.

He said his move, prompted by a reported Tanodbayan graft charge accusing him of using his CB post to facilitate the sale of Pacific Bank to Far East, was not a resignation but stressed that he is willing to go if the president wishes.

Asked whether the accusations diminished the country's chances to get better terms with its creditor banks, Fernandez said, "I don't want to speculate."

But he said the charges have somehow reduced his credibility.

Finance Secretary Jaime Ongpin said he favors the retention of Fernandez. He said though that he is still to be asked by the president for his comments regarding the move of Fernandez who added that he has yet to officially receive a copy of the Tanadbayan resolution filing the graft charges with the Sandiganbayan.

CB lawyers checked with the Tanodbayan and were told that no charges have yet been filed.

Fernandez explained that Pacific Bank owners were given ample notice before the bank was closed. He said the CB has records of the communications that transpired between CB and Pacific Bank before the Monetary Board ordered its closure.

He said the owners themselves led by Sebastinan Roxas Chua never denied the bank's insolvency. He said they cooperated fully with the CB at various attempts at rehabilitation.

On his alleged continued financial interest in Far East, he said he has a document of sale dated 16 January 1984 transferring his entire 7 percent holdings at the bank held by JBF Investment Inc. and by Far East Pixgeries Inc. for P40 million to LPJ Investment Corp.

He said he had been paid P4 million as down payment on signing of the deed of sale and two installments of P2.6 million each for the remaining P36 million, which was to be paid in 14 equal annual installments from 1985 to 1998.

Fernandez also explained that four CB consultants--Eduardo Javier, Oscar Lopez Dee, Teodoro Pleno, senior vice president for finance and marketing for Globe Mackay, and Macario Celestino, retired senior vice president of the Bank of the Philippine Islands--were hired in early 1984 to assist Fernandez in the country's debt restructuring program, long before the CB put Pacific Bank under a receivership on 5 July 1985.

He said Javier, who is now vice president for corporate affairs of Far East Bank, even assisted him in looking for common grounds between the Bank of Hawaii and the group of Antonio Chan and helped as well during the negotiation with the Consolidated Bank and Trust Co. (Solidbank) for the purchase of Pacific Bank.

Fernandez said that on 28 October 1985, the CB invited the United Coconut Planters Bank, Bank of the Philippine Islands, Citytrust, Security Bank, Solidbank, Allied Bank, Far East Bank and the Philippine Savings Bank [PSB] to bid for the sale of Pacific.

Of the eight banks invited, only two tendered their bids--Metropolitan Bank through the PSB which offered the premium of P130 million and Far East with a premium of P260 million.

"Clearly, Far East Bank presented the superior bid, offering P130 million more than the only other bidder. These bids further compared with the earlier offer of Bank Hawaii for the premium of P175 million and Solidbank for P45 million," he said.

Fernandez said that in 1983, when he accepted the CB governorship, he made P2.145 million in his last whole year at the Far East, excluding dividends and allowable representation expenses.

HE said that in aggregate, his total compensation at Far East Bank was about P4 million yearly, compared to his P109,000 annual compensation as CB Governor.

Fernandez explained that the first attempt to rehabilitate Pacific Bank was when the CB endorsed the bank's sale to the Bank of Hawaii and a Filipino group led by Antonio Chan.

He said the CB endorsed the plan for approval which the Monetary Board approved. It was when the two parties involved in the rehabilitation failed to agree on management prerogatives involved in the takeover, that the CB also received an offer from Solidbank of a premium of P45 million.

"It was only at that point, when no prospective buyer of the troubled bank was in sight that the board considered bidding out assets of Pacific Band, "Fernandez said.

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CSO: 4200/464

BANKS' RESERVE DEFICIENCY DECLINES

HK011349 Quezon City BUSINESS DAY in English 1 Apr 87 p 2

["Economic Indicator" column: "Banks Cut Reserve Deficiency"]

[Excerpt] While the commercial banking system increased available reserves by 32.81 percent as of December last year, the required reserves set by the Central Bank [CB] expanded at a lower 12.34 percent, resulting in a lower reserve deficiency of only P94.4 million.

The latest CB data indicate this was a 97.05 percent reduction from the P3,205.4 million reserve deficiency in December 1985.

Available reserves are deposits banks actually have on hand, while required reserves are the minimum amount of deposits banks have with the CB. These are adjusted from time to time depending on the volume of total deposits in the banking system. These are in the form of cash in their vaults, deposits with the CB, or eligible government securities.

The deficiency is expected to decline in the coming months as the CB has allowed commercial banks to keep in reserve only 21 percent of their deposits. Under CB circular 1112 dated 4 August 1986, commercial banks are required to keep as reserves the equivalent of 21 percent of domestic demand deposits, 21 percent of domestic savings deposits, and 21 percent of time deposits with maturities of less than 730 days.

A 21 percent reserve requirement means that for every peso of deposit, a bank would have to keep P0.21 in their vaults.

As a result of the reduction, deposit liabilities of commercial banks in September 1986 recorded an excess reserve of P84.8 million, the first such excess since March 1985.

The recent development is the third reduction since 30 September 1985 when the rate was still at 24 percent and later reduced to 23 percent (under CB circular 1079 dated October 1985) in an effort to lower interest rates and reflate the economy. The succeeding reduction occurred in May 1986 setting the required reserves at 22 percent (CB circular 1104).

Additionally, the Monetary Board, policy-making body of the CB, approved a resolution last November lowering the reserve requirement on banks' long-term deposit substitute liabilities--with original maturities of more than 730 days--from 6 percent to 5 percent.

The lowering aligns it with the required reserve on other long-term borrowings of banks such as negotiable certificates of time deposits which is now 5 percent.

On the other hand, available reserves posted a remarkable increase from P17,127 million in December 1985 to P22,746.6 million last December.

The bulk of available reserves was generally due from the CB. These reserves rose by 51.28 percent from P10,158.4 million to P15,367.5 million in December 1986. In contrast, investments in government bonds and due from foreign banks fell by 11.19 percent (from P4,229.5 million to P3,756.1 million) and 22.22 percent (from P41.4 million to P32.2 million) respectively.

Deposit liabilities of commercial banks, meanwhile, grew 13.39 percent from P107,893.7 million to P122,344.4 million. These consisted of P17,880.9 million in domestic demand deposits, P65,617.4 million in domestic savings deposits, P21,291.9 million in time deposits with maturities of less than 730 days, P17,175.9 million in time deposits with maturities of more than 730 days, P56.1 million in negotiable certificates of time deposits, and P322.2 million in foreign deposits.

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CSO: 4200/464

PESO DEPOSITS, LENDING RATES CONTINUE DOWNTREND

HK021243 Quezon City BUSINESS DAY in English 2 Apr 87 p 2

[Text] Peso deposits as well as bank lending rates as of last February continued a downtrend began in September 1986 when the Central Bank [CB] embarked on a credit expansion program.

CB statistics based on deposit and loan rates of eight selected banks showed that the weighted average interest rate (WAIR) for secured loans ranged from 10.92 percent to 14.26 percent in February, 1987 (based on maturities) from the 1986 range of 17.33 percent to 42 percent.

Yet, low lending rates notwithstanding, demand for loans has been consistently slack, and banks are beset with too much liquidity they have had to invest heavily in government securities and bonds using their loan portfolios.

Another factor for the decline in lending rates was the CB move to cut its required reserves on deposit liabilities of commercial banks to 21 percent, effectively making even more funds available for lending.

Deposit rates as of February 1987 were likewise reduced to single-digit rates (ranging from 5.86 percent to 8.48 percent) from the year ago two-digit range of 12.07 percent to 19.73 percent, except in the case of savings deposits whose WAIR was only 9.55 percent.

Newspaper reports indicate that major banks are set to slash their interest rates on peso deposits to 4 percent effective this month while foreign-based banks are considering a reduction to 3.5 percent.

The continuing decline in interest rates on savings deposits may force depositors to let their money earn elsewhere and this would negate all efforts of the banking system to generate more deposits.

The CB is keeping a close watch on developments in this area. Additionally, it is studying speculative trends in the foreign exchange market where, it is likely, withdrawn deposits may be placed for higher returns.

Peso Deposit Rates and Bank Lending Rates\*-February 1986 and 1987  
(WAIR in percentage per annum)

|                     | <u>1987</u> | <u>1986</u> |
|---------------------|-------------|-------------|
| Deposits            |             |             |
| Savings deposits    | 6.41        | 9.55        |
| Time Deposits       |             |             |
| 30-45 days          | 6.21        | 14.49       |
| 46-60 days          | 6.84        | 12.07       |
| 61-90 days          | 6.68        | 13.24       |
| 91-180 days         | 6.07        | 12.67       |
| 181-1 year          | 5.86        | 14.24       |
| Over 1 year-2 years | 6.92        | 15.54       |
| Over 2 years        | 8.48        | 19.73       |
| All Maturities      | 8.20        | 18.39       |
| Secured Loans       |             |             |
| 60 days and below   | 14.01       | 17.33       |
| 61-90 days          | 11.51       | 18.89       |
| 91-180 days         | 12.42       | 18.89       |
| 181-1 year          | 10.92       | 19.10       |
| Over 1 year-2 years | 14.26       | 42.00       |
| Over 2 years        | 14.04       | 20.20       |
| All Maturities      | 11.58       | 18.02       |

\*Based on deposit and loan rates of eight selected banks

WAIR--Weighted Average Interest Rate

Source: Central Bank

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CSO: 4200/464

## PHILIPPINES

### STATISTICS SHOW PRICE INCREASES AT SLOWER PACE

HK021242 Quezon City BUSINESS DAY in English 2 Apr 87 p 2

[Text] Data released yesterday by the NATIONAL Census and Statistics Office [NSCO] showed that the consumer price index [CPI] for the Philippines and Metro Manila inched up by a slight 0.08 percent and 0.49 percent in March from their corresponding levels in February.

The CPI stood at 360.1 in the Philippines and 386.0 in Metro Manila.

The upward movement of price changes slowed down considerably from February to March in Metro Manila as the monthly increment went down to 0.49 percent from 1.08 percent, the NSCO said in a statement.

The percent change is higher than that of last year.

In areas outside Metro Manila (AOMM), prices remained relatively stable as price gains in some commodities were offset by decreases in other items. As such, the overall CPI in these areas remained at its previous level of 355.1, the NSCO said.

In general, prices of most consumer goods and services in the Philippines moved at a slow pace (0.08 percent) in March than in February (0.56 percent).

These movements in the CPI caused the deflation figures in the Philippines and AOMM to further dip to 0.66 percent and 1.61 percent in March from 0.58 percent and 1.47 percent in February. In Metro Manila, a low inflation rate was registered: 4.04 percent from 3.95 percent.

The housing and repairs index climbed 0.81 percent and 2.84 percent, respectively, in the Philippines and Metro Manila, the highest monthly gain among the different commodity groups. In AOMM, the index grew 0.14 percent. Higher costs of construction materials in most regions and increased rental rates in Metro Manila brought about this change, the NSCO noted. On an annual basis, the housing and repairs index also posted the highest growth.

Mark-ups in the prices of household furnishings, some medicines and medical goods and of items for personal care such as toothpaste and lipstick effected a 0.36 percent increment in the miscellaneous index for the Philippines, 0.54 percent for Metro Manila and 0.33 percent from AOMM.

The clothing index inched up 0.17 percent in the Philippines, 0.55 percent in Metro Manila and 0.08 percent in AOMM. This was attributed to the upswing in prices of ready-to-wear garments and custom-made dresses in most provinces, especially in the Visayas and Mindanao.

The services index showed a slight rise of 0.08 percent in the Philippines and 0.10 percent in AOMM as add-ons in the prices of recreational equipment and higher fees charged by beauticians were noted. However, the index dropped 0.03 percent in Metro Manila.

The food index dropped 0.09 percent in the Philippines, 0.17 percent in Metro Manila, and 0.06 percent in AOMM, fruits and vegetables were in abundance throughout the month and there were price cuts in eggs and fish in most regions.

On a year to date basis, the housing and repairs index grew 4.47 percent in the Philippines, 11.18 percent in Metro Manila, and 2.36 percent in AOMM. The clothing index posted the least change of 1.24 percent in the Philippines. The miscellaneous index with 0.54 percent annual gain in Metro Manila and the services index with 0.63 percent in AOMM recorded the lowest increments.

On the other hand, the fuel, light and water index still shows a yearly negative change of 6.45 percent, 4.99 percent and 6.75 percent correspondingly in the Philippines, Metro Manila and AOMM. The food, beverages and tobacco index also declined 1.80 percent in the Philippines and 2.63 percent in AOMM.

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CSO: 4200/464

COLUMNIST SAYS DEBT ACCORD 'VICTORY' FOR COUNTRY

HK011315 Manila MANILA BULLETIN in English 1 Apr 87 p 22

[Column by Bernardino Ronquillo: "Debt Agreement Victory for RP"]

[Text] The Philippine negotiating panel composed of Secretary of Finance Jaime Ongpin and Central Bank Governor Jose B. Fernandez Jr could not have gotten all that the Philippines wanted to ease the burden of repaying this country's huge foreign debt. But our negotiators actually did better than was expected of them considering the sad experience creditors have had with debtor nations and the difficulties of getting a much better deal in the debt repayment arrangements.

Under the agreement the Philippine negotiators reached with the Advisory Committee of foreign creditors in New York, rescheduling of \$10.3 billion of foreign debt is to be spread over 17 years, with 7 and 1/2 years grace. The interest rate is reduced to 7/8 point over the London interbank offered rate (Libor). The Philippines had asked for a cut in interest rate to as low as 5/8 point over Libor, which would have made it the lowest (Mexico obtained 13/16 point in a recent refinancing package), and international creditors feared this would have made a difficult precedent for them.

Rescheduling of loan repayments and the cut in interest rate will have a significant impact on the country's balance of payments. Instead of a deficit of \$400 million, the Philippines can now look forward to a surplus of \$1.2 billion for 1987.

The main thrust of rescheduling the Philippines' foreign debt is to minimize the exchange outflow so more of the country's foreign exchange earnings could be utilized for economic recovery and development. How could the country develop if nearly one-half of its reduced export earnings were merely used to repay its foreign indebtedness?

But probably the best breakthrough for the Philippines was in getting the foreign banks which have exposure in this country to accept its offer to make partial repayment in Philippine investment notes (PIN) on an optional basis. Under this novel plan, bank creditors now will have option to convert cash interest payments into PINs which may be used to finance on attractive terms government-approved equity investments in this country.

Foreign banks at first rejected the idea as propounded by Finance Secretary Ongpin on the ground that it may create a precedent which bigger debtors would also use to avoid payment of interest in cash. On an optional basis, however, the idea becomes more acceptable. As far as the Philippines is concerned, the idea could become attractive for foreign investors, including banks, to convert cash into equity in the expectation of higher returns in the foreign investors, including banks, to convert cash into equity in the expectation of higher returns in the foreseeable future. It runs along the same direction already taken by other foreign creditors who do not expect to be repaid over the near term but hope that conditions will improve not long from now and enable them to at least get back their original investments and possibly make additional money.

The PIN is actually an offer to foreign creditor banks as well as other investors to have faith in the Philippines and invest in the future of this country. And they are likely to do so in the belief that the management of the Philippines' economy will change for the better and world conditions are bound to improve, as these will eventually do, in the foreseeable future.

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CSO: 4200/464

## PHILIPPINES

### BRIEFS

ILETO ON LUZON OFFENSIVE--Defense Secretary Rafael Ileta said the military operation in the Kalinga-Apayao area has accomplished its objective [words indistinct] the rebels, destroy their logistic [word indistinct] and keep them on the defensive. Ileta said the offensive also penetrated the insurgents' territory. The defense chief added that the Kalinga-Apayao operation is part of the ongoing offensive [word indistinct] of the military [words indistinct] over the country. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 1 Apr 87 HK] /12232

TRADE CONCESSION REQUEST DECLINED--Australia has told the Philippines that it cannot offer significant concession on tariff reduction for Philippine goods. This follows a request to the trade minister, Mr Dawkins, by the Philippine trade minister, Mr Jose Concepcion, in Canberra this week. Mr Concepcion has said that the Philippines should be given favorable trade tariff concessions during its period of reconstruction following the overthrow of President Marcos. He told Mr Dawkins that the Philippine economy is facing severe difficulties, and that Australia's support for its new government should be reflected through tariff concessions. Mr Concepcion said he was looking for a concession of between 10 and 15 percent. A spokesman for Mr Dawkins said he told Mr Concepcion that Australia also faced economic difficulties and could not make substantial concessions although some minor concessions could be made. [Text] [Melbourne Overseas Service in English 0830 GMT 1 Apr 87 BK] /12232

CABINET MEETS ON VIGILANTE GROUPS--In the cabinet meeting at Malacanang, the growing vigilante groups in the archipelago countering the NPA threat was discussed. Here is Ben Almida for the details: [Begin recording in English in progress] ...discussed extensively the matter of civilian volunteer groups like the Alsa-Masa [People's Uprising] and Nakasaka [People United for Peace]. In a press briefing at the Kalayaan Hall, after a 2 hour and 14 minutes cabinet meeting, Deputy Press Secretary Danilo Agozo said that there was unanimity of thought in endorsing voluntary and spontaneous groupment of citizens for self-protection in areas where there is an insurgency problem. He added, it is better that these groups remain unarmed and self-funded and (if possible) have public support in their respective communities. From the news report section office of the secretary, Ben Almida reporting. [end recording] [Text] [Manila Radio Veritas in Tagalog 1000 GMT 1 Apr 87 HK] /12232

CSO: 4200/464

THAILAND

CROWN PRINCE REPORTS ON PRC TRIP IMPRESSIONS

Bangkok NAE0 NA in Thai 9 Mar 87 pp 1, 16

[Unattributed report: "Crown Prince Has Returned, Discusses Activities in China"]

[Text] The crown prince made an official visit to China in place of the king. His 14-day visit ended on 8 March. He returned aboard a special air force aircraft, arriving at the Don Muang military airport at 1745 hours on 8 March.

Before boarding the aircraft for the flight home, the crown prince graciously granted an interview to the television reporters accompanying him. He said that he had had a chance to see many things, from relics to very modern items in the cultural, scientific, development, technological, and agricultural spheres. Stated simply, he visited different places, saw different people, and observed different activities every day. He said that he learned a lot from visiting various places and units and from talking with various groups. Their views were very interesting.

When asked about establishing relations with Chinese leaders at all levels, the crown prince said that leaders at all levels refers to the heads of units or unit managers at the national and local levels. It refers to leaders in government units and state enterprises. Even a family must have a leader. Regardless of whether it is leaders in organizations, units, or even families, leaders on farms or in factories, or leaders at the national level, we must get to know them. We have to know how they think. We must study and understand their problems. We must get to know all factions. Put simply, we must become familiar with all factions and understand their problems. We must exchange ideas on various problems as appropriate. If we are personally acquainted with officials at various echelons, it will be easier to carry out things and establish friendly relations.

A reporter said that the Thai people know that the crown prince was very interested in observing military activities during his trip to China. But the crown prince observed very few military activities. The reporter asked why he had not had a chance to observe more military activities.

The crown prince replied that the king had asked him to visit the People's Republic of China. This was in response to an invitation by President Li Xiannian during his recent visit to Thailand. He said that he made this visit in place of the king. He said that he visited China as a Thai. Soldiering is just one of many occupations. The military is just one of many elements that make up a country. It is just one of many organizations in a country. It's function is to defend the country. Actually, every occupation is a factor or important element in the structure of the country. The security and progress of the country depends on people in every sector. Soldiers are people, too. He said that he went to China to observe a variety of activities and that he had to see as many things as possible. For example, he was interested in the people's welfare, agriculture, science and technology, the economy, and development. He wanted to see every element that makes up the country. He wanted to see how they are solving their problems and what steps they are taking to develop their country. He said that he was interested in everything. He said that he is a citizen, too. Soldiers are citizens, too.

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CSO: 4207/172

THAILAND

PRC-ORIGINATED WEAPONS CONVOY TO NORTH CAUSES CONCERN

Chawalit, Police Sources in Conflict

Bangkok MATICHON in Thai 17 Mar 87 pp 1, 16

[Excerpt] Gen Chawalit Yongchaiyut, the RTA CINC, discussed the case in which highway police seized a large shipment of weapons in Nakhon Sawan Province. He said that on the morning of 16 March, he ordered military officials to go there and find out what had happened. At present, weapons traffickers are very active, because the demand for weapons is very great. Military and police officials are very interested in this matter.

A reporter asked whether the weapons seized had come from the military armory in Nakhon Sawan as some people have said. Gen Chawalit replied that that is unlikely. The driver was from Nakhon Naiyok. If the weapons did come from the armory, they would not have had to use a driver from Nakhon Naiyok Province.

Gen Chawalit said that the most likely source of the weapons is the border, from where weapons have been flowing into the country. Officials have been very concerned about this from the very beginning.

A news source in police circles told MATICHON that most of the weapons seized this time were new weapons. In particular, the Chinese RPGs were all brandnew. The officials also seized mortar rounds and ammunition that had clear markings. This shows that the weapons were from a military armory and that they were in the military's inventory. Because otherwise, they would not have been marked with code numbers.

The news source said that in the wake of this seizure, senior military officials are making a great effort to determine the source of the weapons. The Army Operations Center has sent officials to meet with the police officers in charge of the case in order to obtain data and the code numbers on the weapons.

"Today, the weapons traffickers are keeping an eye on the highway police officials who seized these weapons. As a result, the police don't dare take action or say anything that might affect the weapons traffickers. This is because these traffickers have great influence," said the news source.

## High-level Involvement Suspected

Bangkok MATICHON in Thai 16 Mar 87 pp 1, 16

[Excerpts] On 15 March, Police Maj Gen Thongchai Chaiyarak, the commander of the Highway Police Division, stated that on 14 March, Police Lt Col Cha-on Khlaikhlung, the deputy superintendent of Precinct 1, Highway Police Division, and the head of the Special Intercept Unit, took a force of highway police and set up a checkpoint at Km 215 along Phahonyothin Road in Yan Matri Subdistrict, Phayuha Khiri District, Nakhon Sawan Province. It had been learned that a large shipment of weapons was going to be transported along this road. The checkpoint was set up along the road leading to the north. At 2245 hours, the highway police searched a 6-wheeled Toyota Dyna truck, license No 80-1051 Tak. The truck was loaded with rice. But after removing the gunny bags of rice, the officials found a large quantity of weapons: 605 M-79 rounds; 8,530 rounds of AK ammunition; 450 rounds of large AK ammunition; 59 RPG rounds; 50, 115, and 145 rounds for 120-mm, 80-mm, and 60-mm mortars respectively; 60 signal rockets; 148 M-16 A2 explosives; 140 M-14 explosives; 2 AK machine guns; and 1 additional machine gun of unknown make. The police seized the truck and weapons and arrested Mr Phloen Sisawat, age 25, who lives at 44 Village 2, Tha Chang Subdistrict, Muang District, Nakhon Naiyok Province, the driver, and Mr Mung Phumphon, age 21, who lives in Village 13, Song Phi Nong Subdistrict, Tha Mai District, Chanthaburi Province, who was riding in the truck.

"During the interrogation, the suspects confessed that they had been hired to drive this truck from the service station in Ban Tha Nam Oi, Phayuha Khiri District, Nakhon Sawan Province, to a northern province. But they refused to say which province. All they said was that they had been paid 200 baht and that the person who had hired them told them to drive about 10 km," said Police Maj Gen Wanchai. He said that the police did not believe their story. Because in making this arrest, the highway police had received orders from the Police Department and were aware of what was going to happen in advance. They had learned about this a week in advance. However, the two suspects arrested were not the main culprits. The Police Department knows the identity of the real culprits but cannot reveal their identity, because that would ruin the investigation, which is continuing. The police know that this involves a gang of weapons traffickers. This is the first time that weapons have been transported using this route. If this shipment of weapons had not been intercepted, many other shipments would have been transported along this route. But the seizure of this shipment will slow down their activities. The police must, however, continue to monitor things.

A reporter asked why the police did not seize the weapons at the source in view of the fact that they knew where the weapons were being kept. Police Maj Gen Wanchai said that the Police Department tried to find a way. If a raid had been staged and things went wrong, few weapons would have been seized. In this case, setting up a checkpoint was the best way. The police have confirmed that this shipment of weapons had nothing to do with influential people. Rather, this was the work of weapons smugglers. As for whether the weapons were being taken to Khun Sa or other forces in the north, that is for the Police Department to reveal. However, this was a very large shipment of weapons. Some

battalions don't have such a large quantity of weapons. They were going to be used to fight a war, not to build up local influence. These weapons will be turned over to the Police Department for delivery to the military.

Police officials have observed that these weapons definitely came from some military unit. It should not be too difficult to find out from which unit they were obtained, because the shells were clearly numbered. For example, the boxes of 60-mm mortar rounds were labeled "Type TS/Region 1, explosives TWT-A2 No 309-5-23."

Police Maj Gen Thongchai Chaiyarak, the commander of the Highway Police Division, said that this is the largest shipment of weapons ever seized. Officials know who was behind this. Senior officers in the Police Department know their identity. But an investigation must be conducted. Investigation officials are continuing their investigation, which has been underway for 3 months now.

A news report stated that the weapons seized this time are worth at least 20 million baht. Some of the weapons, particularly the mortar rounds, were made by the Ordnance Department, and some were sent from abroad. But the registrations and source code numbers are quite clear. Senior officers from the armory in Bang Prap Subdistrict, Phayuha Khiri District, were asked to come look at the weapons, and they admitted that the weapons had come from the armory.

"The person who could remove such a huge quantity of weapons from the armory without anyone suspecting anything must be a very senior person," said the report. The report added that the highway police feel uncomfortable at having seized this shipment of weapons. This is because they are afraid of the influence of those behind this.

#### Official Investigation Questioned

Bangkok DAO SIAM in Thai 20 Mar 87 p 5

["Fact and Fancy" column by Wanli Wanpha]

[Text] After reading about the seizure of a shipment of weapons worth more than 10 million baht, frankly, I still have no idea what this is all about or who the real culprits are. The various factions are releasing only information that will help reduce the tension. But they aren't saying what really happened. This is true of the military, the police, and even the politicians. In short, the real story hasn't been made public yet. The reports issued so far are just meant to deceive people. The only thing that is true is that the police did seize a truck carrying weapons.

The military has said that it is unlikely that the weapons came from one of its armories and that if they do belong to the military, the military knew nothing about this. Someone was smuggling the weapons on his own without permission from armory officials. Or the weapons could have been stolen at night. The matter must be investigated.

As for the politicians, Mr Nasawai Phattano, the deputy minister of interior, has spoken out sharply, saying that the culprits must be found. The source of the weapons, their destination, and what they were going to be used for must be determined. It has now been several days since the weapons were seized but so far, no one seems to know who was in back of this.

The police aren't saying anything either. It's not that they don't know the source of these weapons. Rather, they are adhering to the old adage that "speech is silver, silence is golden." Remaining quiet is much more useful than speaking out. At least it won't make things any worse than they are now.

Thus, the seizure of this shipment of weapons has stirred up a lot of trouble. Most factions think that the military was sending weapons to the Karens. But this may branch out and involve a weapons trafficking gang. There isn't any need to talk about the weapons that were seized. On many occasions, weapons are smuggled in from abroad. This includes weapons from Singapore that were produced in China, Thailand, or elsewhere. Thus, the question is, how were the weapons smuggled into the country? Because if no one had brought them in, they would still be in the plants abroad. If they were not brought in in accord with military regulations, it means that they were probably smuggled in across the border somewhere. Because it is difficult to smuggle in weapons by air, unless cargo aircraft are landing at some secret airfield hidden deep in the jungle.

What is certain is that these weapons were not under the control of officials. If these weapons had fallen into the hands of the enemy, this would have had a serious impact on the country. There were sufficient weapons to destroy important targets in a flash. If the communist terrorists had brought these weapons into Bangkok, they could have used them to occupy the capital. If they had fallen into the hands of the Karens, the Karens could have waged a battle against an entire Burmese division.

What the politicians want to know is, who owned these weapons and to whom were they sending the weapons? Were they being smuggled to armed forces in the country or to the Karens?

We don't know the results of the police investigation. We probably won't know the answers even after the investigation is completed, because this will be considered to be a classified matter. We won't be told anything. However, I still have a few things that I would like to tell those involved. They must be very strict and not allow any information to leak out. They must not tell anyone, not even their wife or mother-in-law. They can then prepare a file on the case and put in this and that to show that "these weapons were going to be put on display at the Hyatt Central Plaza Hotel. The highway police seized the weapons as they were being transported to Bangkok." Yes, that will bring the matter to a close, and everyone will understand.

MOI, Army Comment on Origin, Destination

Bangkok SIAM RAT in Thai 18 Mar 87 pp 1, 14, 16

[Excerpt] Mr Sawai Pattano, the deputy minister of interior, said that the ministry has a policy of suppressing weapons smuggling and that a shipment of new weapons was seized in Nakhon Sawan Province. However, the driver denies any knowledge of this. But it is believed that the driver is refusing to reveal the identity of the culprit. All he will say is that he was transporting rice.

Mr Sawai said that he has established a committee to investigate this case and find out the facts. It would not be proper to allow provincial investigation officials to handle this matter by themselves, because the driver of the truck lives in Mae Sot District, Tak Province. "I intend to get to the bottom of this matter quickly. Officials have been ordered to protect the two witnesses (the two suspects). I am very concerned about them, because they can lead us to the real culprits," said Mr Sawai.

Mr Sawai said that if we suppress such smuggling activities, neighboring countries will realize that we are not supporting the minority groups. It is still not known where these weapons came from. This matter is classified for the time being. People must wait. A reporter asked who was behind this. Mr Sawai said that it was probably a group of weapons traffickers. The reporter asked if soldiers were involved. Mr Sawai said, "No. So far, no soldier has been implicated." He said that he wants to obtain the facts and inform the prime minister. This is a very complicated matter. Officials must conduct a thorough investigation. The reporter asked whether this case has anything to do with the disappearance of a police warrant officer following an incursion into Thailand by Burmese soldiers in Mae Sot District. Mr Sawai said that he is not aware of mutual resentment or killings. Officials must conduct an investigation.

Mr Sawai said that he informed the cabinet about this this morning. He told the cabinet members that an investigation is underway and informed them of his policy. He has ordered the officials in the area to establish a committee and guard the suspects. The weapons that were seized will be brought to Bangkok for safekeeping. The matter will be reported to Mr Phichai Rattakun, the deputy prime minister, who will inform the prime minister.

In another interview that afternoon, Mr Sawai said that he had gone to see the weapons seized by highway police in Nakhon Sawan Province. He said that it is difficult for him to believe that only the two suspects knew about these weapons, which are valued at more than 10 million baht. The person investigating this case is the inspector for investigation at the Phayuha Khiri District police station. He does not think that this official can investigate this case by himself because it involves several provinces. Thus, he will recommend that the Police Department establish two investigative committees.

Mr Sawai said that he does not believe that the two suspects arrested were the only ones involved. They were just underlines. Personally, he would like to continue investigating this case. But he does not know whether the minister of interior will put him in charge of the investigation. However, the suspects know where the weapons came from and where they were being taken. We must find out who was behind this. Because if these weapons had been used against Thailand, there would have been great losses. It would have cost us many men and much money to solve the problem. This would have affected many sectors.

The reporter said that Mr Samak has observed that perhaps Thai soldiers planned to sell these weapons to rebels. Mr Sawai said that that is the observation of Mr Samak. That is something that must be considered. The police will investigate this. He said that the government was not involved in this in any way. It isn't known who was involved. If the government was involved, many people would have known about this. But no one knew about this.

As for the results of the investigation, Mr Sawai said that if it turns out that soldiers are involved, those involved must bear responsibility regardless of their rank. We do not have a policy of allowing people to traffic in weapons. This is a very serious matter. It is much more serious than the bombing of Mr Samak's home. He said that he has been informed that the truck used to transport the weapons had been registered in Mae Sot District, Tak Province.

The reporter asked whether he has any information on whether the owner of the truck, Mr Khelai Samakphetkan, is the father of Police Warrant Officer Samak Samakphetkan, the police officer seized by the Burmese. Because they have the same surnames. Mr Sawai said that the police have not yet sent him a report on this.

The reporter asked whether this matter will die down if influential people use their influence. Mr Sawai said that this matter involves our national honor. Even the opposition would not remain. If the government really was involved, this involved corruption on a huge scale. If this is true, action must be taken, because it means that 10 million baht in people's tax money was misappropriated.

In response to a reporter's question about the seizure of this huge shipment of weapons in Nakhon Sawan, Maj Gen Narudon Detchapradit, the secretary of the army, said that senior commanders have ordered officials from the Office of the Army Secretary to obtain additional information about this. He said that he has received a report stating that the truck involved belonged to a civilian from Tak Province. The driver was from Nakhon Naiyok. The arrest was made at a spot before reaching the road leading to Armory 3. Thus, the truck was definitely not going to transport the weapons to Bangkok.

As for the weapons and ammunition seized, most of this was ammunition produced abroad. An exception was the 60-mm mortar rounds, which were produced as part of a joint Thai-Singaporean project. These mortar rounds had been distributed to various police and military units.

The secretary of the army said that weapons trafficking has been going on for a long time, and the police have seized many shipments. This was a very large shipment of weapons. The military and police will cooperate in investigating the matter to determine where the weapons were purchased. Because this poses a danger to the country.

The reporter asked to which units the mortar rounds had been distributed. The secretary of the army said that the 60-mm mortar rounds had been distributed to both army and police units. As for the rounds distributed to the military, none of the mortar rounds were sent to Armory 3. The matter of to whom they were distributed is now under investigation. Of the 8,000 mortar rounds, 2,000 rounds were distributed to the police. The other 6,000 rounds were turned over to army ordnance officials. The highway police seized 155 rounds. The serial numbers of the rounds indicated that they came from lots distributed to both police and military units.

When asked what other weapons had been seized, Maj Gen Narudon said that the police also seized RPGs produced in China and fifty 120-mm mortar rounds. Armory 3 did not have any of these mortar rounds either.

The secretary of the army said that based on initial findings, it is believed that the weapons were smuggled in across the Thai-Cambodian border. There is fighting between the Heng Samrin forces and the forces of Democratic Kampuchea and so someone may have stockpiled supplies and weapons.

When asked whether the weapons were going to be sold to Khun Sa, the secretary of the army said that he doesn't know. But Khun Sa has several other sources of weapons. He doesn't have to purchase weapons from Thailand. The police must continue their investigation in order to determine the destination.

#### Police, Opposition MP Comment

Bangkok SIAM RAT in Thai 19 Mar 87 pp 1, 16

[Unattributed report: "Uthai Says Criticisms Will Be Leveled in Parliament, Weapons With Army Markings Seized"]

[Excerpt] At the Police Department on the evening of 18 March, Police Gen Narong Mahanon, the director-general of the Police Department, talked with reporters about the progress made in the case involving the seizure of a large shipment of weapons. He said that he still does not know where the weapons came from.

Investigation officials have been ordered to take quick action. "The weapons seized by police on various occasions have come from different places. Large quantities of weapons are smuggled in from abroad. But I don't know where these came from."

Police Maj Gen Kasem Saengmit, the commander of the Special Branch Division, said that it must be understood that the Special Branch Division is not directly involved in investigating this case. It is just assisting the investigation officials. "People should not say too much, because little is known. Officials must conduct an investigation."

The commander of the Special Branch Division said that it is not the Thai government's policy to sell weapons to foreigners. But most of the weapons flowing into the country are smuggled across the border. "In every group, regardless of whether it is the police or the military, there will always be a few black sheep. These people always think about personal profit. They do not consider the nation's interests."

Police Maj Gen Kasem said that the Special Branch police are coordinating things with the military in order to investigate this matter. The Special Branch police will engage in intelligence-gathering activities only. At present, the only thing that is known is that the weapons were being taken to the border. "I think that that is the case. As the secretary of the army said, some of the weapons may have come from government units. But some of them came from abroad, not from military units here."

The commander of the Special Branch Division said that it is sometimes difficult to control weapons smuggling. For example, during training exercises, if someone draws 10 rounds, he may use only 5 and hide the rest. Lower-ranking personnel engage in this. Senior people are not involved.

A news source in the Police Department said that the crates in which the weapons were packed clearly stated that the weapons belonged to Thailand. The crates were stamped with numbers that can be traced. But because the investigation could cause trouble for investigation officials and the Police Department, it is unclear whether the matter will be pursued to determine their origin. This depends on the policy.

On the same day, at a meeting of opposition party leaders, in his capacity as the head of the Group of 19, Mr Uthai Phimchaichon, the leader of the Progressive Party, said that most people believe that the weapons were being taken to the border. As a member of the opposition, he would like to note that these weapons came from the heart of the country, that is, Nakhon Sawan Province. From the seals and numbers, it is clear that the weapons belonged to government units and that they came from an armory as reported.

"The question is, were the weapons stolen or was the government involved in the shipment of these weapons? If they were stolen, that means that the traffickers planned to sell them. The question is, who was selling the weapons? And would this have harmed the country?" said Mr Uthai.

Mr Uthai said that the opposition once noted that an aide to the prime minister had been charged with trafficking in weapons. But for some reason, the court did not punish him.

"That officer was known as a millionaire. Perhaps he made his millions from selling weapons. I would like to ask the government how many others are going

to become millionaires from such activities. The government must state where these weapons came from, where they were being taken, and who was involved. If it can't answer these questions, it means that there is a cover-up. This is a security issue. The opposition will have to bring this up in parliament," said Mr Uthai.

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CSO: 4207/175

THAMMASAT ACADEMIC REVIEWS BENEFITS OF LAO TRADE

Bangkok MATICHON in Thai 3 Mar 87 p 7

[Article by Surachai Sirikrai: "Thai-Lao Relations: Opening the Frangipani Curtain to Trade with Laos"]

[Excerpts] The Thai Government's decision to improve political relations and trade with the LPDR at the beginning of the year is considered good news; it will benefit the people of both countries.

The Thai-Lao relationship has many political problems which constitute obstacles to trade and good relations between the two countries. The problems actually involve the Lao rightists fighting the communist government, the Lao refugees in Thailand, "Phak Mai" or the green star group in Laos, strategic products, the Thai-Lao border and the three villages, and the latest--smuggling drugs across the border and Thai-U.S. weapons stockpile.

For the Thai, the desire for trade with Laos seems to be based on the requests of businessmen, people, politicians, and civil servants in the northeastern areas which border Laos rather than on the initiative of the Thai government. Business, people, and those who support a policy of expanding trade with Laos do so because it would be economically and politically beneficial.

The trade with Laos could be done with cash or barter. Laos has logs, lumber, coffee, rattan, cardamon, benzoin, dammar, husks of the bong, buffalos, cows, animal skins, and electricity, for example, which could be exchanged for useful articles and consumer goods from Thailand, especially cloth, bicycles, monosodium glutamate, garments, shoes, and construction materials. If barter occurs it would make the economy on the Thai-Lao border better. It would help reduce the deforestation of Thai forests, and Thailand would increase its revenue by collecting more taxes.

Although the value of Thai-Lao trade is not more than 1 billion baht, a small amount when compared to trade with other nations, this trade provides direct benefits to the northeast and Thai light industry which is facing protection problems from the industrially developed nations.

What we should really look for in expanding Thai-Lao trade, the monetary value of which cannot be estimated, are its effects on the security and politics of the nation these are:

1. Thai-Lao trade will help Laos develop its economy (including assistance Laos will receive from the Western countries), it will modernize Laos, and reduce dependency on Soviet and Vietnamese assistance.
2. The Thai-Lao trading relationship will create an atmosphere for mutual assistance which will lead to respect, understanding, mutual benefit, and cooperation in solving existing political problems through peaceful methods.
3. Lao development and Thai-Lao interdependency will make the two countries feel secure and not be suspicious about their different political ideologies and this will make them live peacefully in the long run.
4. Lao development and their being able to feel secure from attack by their bigger neighbors will make Laos feel free and independent in choosing its own foreign policy which could be similar to the politics of Yugoslavia in East Europe.
5. Although in the course of Thai-Lao trade some Thai products will go to Vietnam or Cambodia, this would not be in the least harmful because both countries can obtain Thai products and the products of other countries either by buying them through third countries or by smuggling them.
6. A good relationship between Thailand and Laos will lead to improved understanding between Thailand and Vietnam concerning the Cambodian problem. The hope that this will happen may be slight, but it is what Lao leaders have been urging; at least it will help prevent the expansion of conflict between the ASEAN countries and Indochina, especially in the area of the expansion of Soviet military power in the three Indochinese countries because of the Cambodian problem. In conclusion, Laos could be the key to opening the back door to the three Indochinese countries which the Laotian Ambassador to Thailand, Kamphan Simmalawong, always says "have their roofs connected." At the least, we can see that [efforts] to solve the Cambodian problem have been at a standstill for years, therefore, experimenting with entering through the back door should not hurt us any.

The problem of building a good relationship between Thailand and Laos, however, is similar to building a new pagoda for which both parties must be willing and ready to lay the foundation, brick-by-brick, equally. The height of the pagoda or the relationship is dependent upon their intentions in negotiations.

Insincerity, taking advantage of, or arrogance will bring bad results to the people of both nations who are nothing if they are not the same race of people.

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POSSIBLE KHUKRIT-ATHIT ALLIANCE AGAINST CHAWALIT VIEWED

Bangkok SU ANAKHOT in Thai 11-17 Mar 87 pp 10-14

[Excerpt] Laborers support Big Chiew's coup d'etat.

After manifesting indications of a coup d'etat to change the social, economic and political systems but one founded on a democracy with a king as head of state, one would gather that General Chawalit strongly supports the concept. Meanwhile, a mass movement started, especially among some labor groups which were set up by some military officers to support this issue, in which Chawalit was literally petitioned to effect a coup d'etat.

Although General Chawalit reiterated that a "coup d'etat must have the consent of the people" and "the coup d'etat cannot be effected unless it is desired by the people," he used the labor groups "arranged" by the military officers mentioned above as an example of those desiring a coup d'etat.

All this demonstrates urging based on the "desire for change among the people" which is now being geared up to attack the failures of some elected politicians in order to create a failure in the electoral system.

Khukrit-Chawalit, it is time to meet.

"We cannot abandon hope in the parliamentary system; if we do so, people will not have anything to depend upon. Today, it is not good, but we have to hope that it will become good. We have to have hope in the members of parliament if there is no change through elections which require a lot of money. Ministers should be selected from among the people who have ability. If agreement cannot be reached in the future, politics will deteriorate. But we have to have hope in the electoral system and let members of parliament do their job for the people because it is the only way to bring progress to the country."

Those were the words of MR [royal title] Khukrit in Chiang Mai; they reflect his stand on the electoral system.

A political source said that personally, MR Khukrit has the infamous nickname of "the dangerous old man," which means he is very tricky politically and has made several almost unbelievably good political moves. However, MR Khukrit has a definite standpoint concerning political parties and elections which may be considered the only definite standpoint he has; it is the only standpoint which he is willing to show and defend.

The source also said that if General Chawalit, the owner of "pure power," begins to push for a new system, MR Khukrit will put up strong resistance immediately.

This was seen when General Chawalit opened a discussion attacking political parties in Chiang Mai; within a few hours, MR Khukrit reacted sharply to Chawalit in a lecture on politics in Chiang Mai. "The nation belongs to the people who must elect people to participate in forming the government; not just install a parliament or something to simply divide power, this is something I do not know."

This is noticeable in MR Khukrit's writing of "I am not afraid of you" [insulting terms used]. When the military, under General Chawalit, pushed for an amendment to the constitution to allow civil servants a legal role in politics, MR Khukrit called it a plan to effectively change the parliamentary system into a politburo.

In his response to Chawalit in Chiang Mai, MR Khukrit made the same point. We should keep an eye out for writings emanating from Soi Suan Poo soon; they might say the same thing as well as about Generals Prem and Chawalit heading for plans to build projects for "pure power."

Is "Athit" behind Khukrit.

A source close to MR Khukrit says that his moves against General Prem and General Chawalit are being watched to see whether they are connected with the old power, that is, General Athid Kamlang-ek.

The source says that at the end of last year, when General Athit returned from "licking his wounds" abroad, he met MR Khukrit to discuss real political cooperation. General Athit wanted to join the Social Action Party, certainly in an important capacity.

MR Khukrit's indirect answer, however, was that he has nothing to do with either the Social Action Party or politics, therefore, he could not help Athit.

The source also said that MR Khukrit had cooperated closely with General Athit in politics when they created a crisis in Parliament which caused General Prem to dissolve Parliament in May 1986. That cooperation included opposition politicians and Mr Buntheng Thongsawat and Mr Koson Krailroe; it caused the government to be defeated in a parliamentary vote which ultimately triggered the dissolution of Parliament to solve the problem.

The source says that that was the last act of cooperation because after that, the political preparations centered around the United Democratic Party did not receive enough cooperation from some military officers. When General Prem and General Chawalit prepared to read the riot act to dissidents harrassing them, there was a meeting between the "old power center" and the "new power center" of the military. The "old power center" agreed to "go abroad for a while." Because of that, the United Democratic Party was set up by the politicians only under the leadership of Mr Buntheng Thongsawat.

The source said that MR Khukrit decided to get out of politics since then mainly because of his health.

As for "the strategy of I am not afraid of you," which was written by MR Khukrit, the "old power center" should be watched to see whether it will take the opportunity to join the movement or not.

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PAPER WARNS ON KEEPING MONARCHY OUT OF CONTROVERSY

Bangkok MATICHON in Thai 7 Mar 87 p 6

[Editorial: "The Institution of the Monarchy"]

[Excerpts] The fact that the prime minister ordered the spokesman of the Office of the Prime Minister to bring the king's speech to the cabinet meeting on Tuesday, 3 March to allow people to study it, has become a controversy. It is not a matter of the content of the speech, but rather a question of the propriety and suitability of doing so.

The government saw that the king's speech would be beneficial to democratic rule, therefore, they ordered it published. Meanwhile, the opposition saw that such action was using the institution of the monarchy and the king for the government's political ends.

Politics is a matter of power and of seizing the advantage. The King occupies an honored and sacred position. Were any group to use the king for their own political agenda, it would be tantamount to bringing the monarchy into the disputes and hidden battles over turf. No matter if it is unintentionally or intentionally done, it is not good for the institution of the monarchy.

Given the clear emergence of such a situation, one could that such government action lends to conflict and misunderstanding both toward the government and the monarchy, thus the government should be more careful even though it has good intentions for the monarchy and democratic rule. Nobody, not only the government and the opposition parties, should use the monarchy for their political purposes.

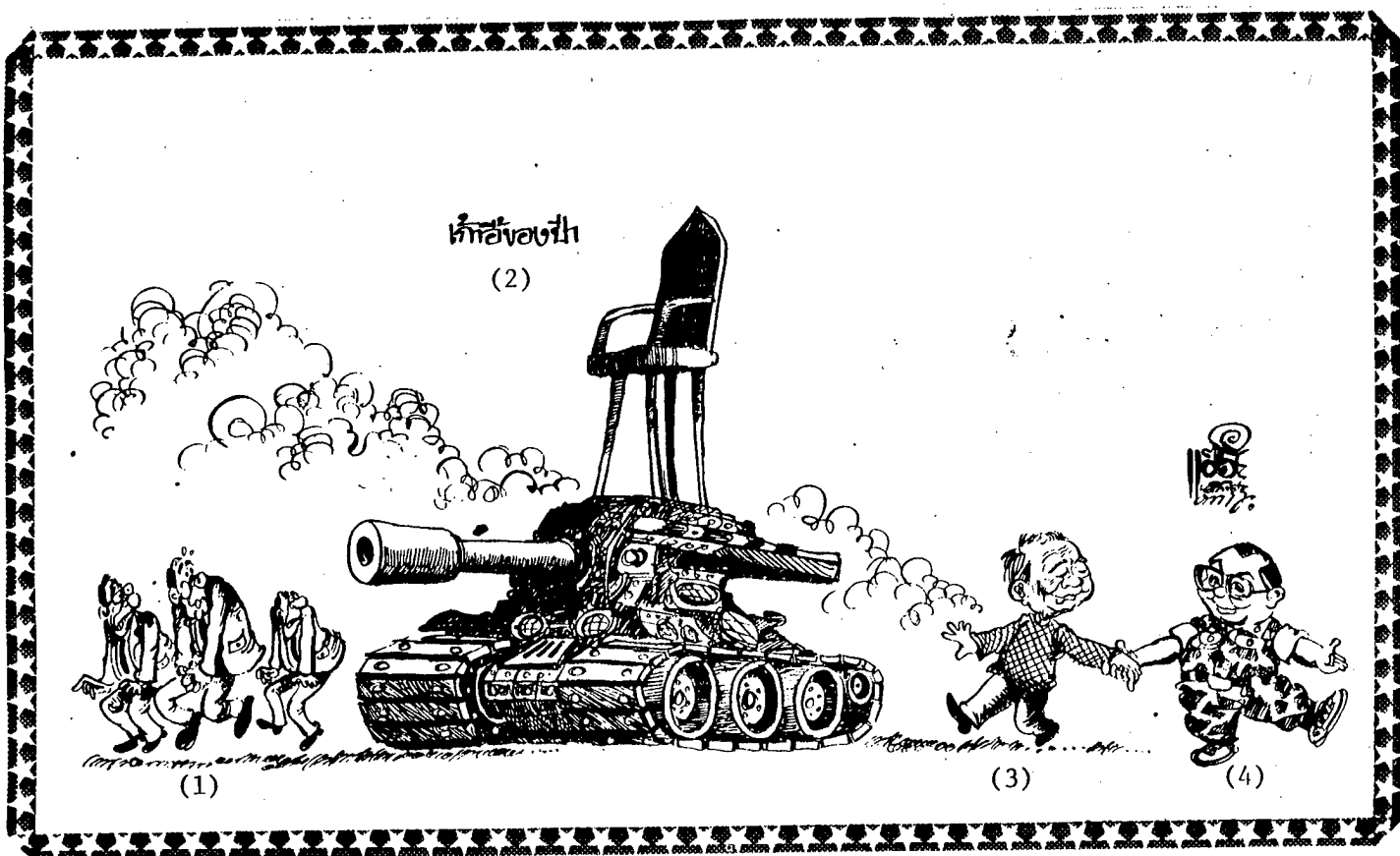
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CARTOON SPOOFS CHAWALIT SUPPORT OF PREM, POLITICIANS' FEAR

Bangkok DAILY NEWS in Thai 13 Mar 87 p 5

[Cartoon]



Key: 1. Politicians  
2. "Pa's chair"

3. Prime Minister Prem Tinsulanonda  
4. General Chawalit Yongchaiyut

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CSO: 4207/163

EDITORIAL BACKS KING, CHAWALIT IN CALL FOR CHANGES

Bangkok BAN MUANG in Thai 7 Mar 87 p 4

[Editorial: "Response to King's Remarks"]

[Text] At a recent cabinet meeting, Gen Prem Tinsulanon, the prime minister, expressed concern about the remarks made by the king. In an interview in Chiang Mai concerning the country's administration, the king said that every country must adjust the administrative system to meet its own needs. The same is true in Thailand. We, too, must make adjustments.

For this reason, the prime minister said that the cabinet should consider this to be a very important matter. He said that knowledgeable people should study things to see what needs to be changed and improved to fit the country's situation. The remarks by the prime minister were probably of great interest to the cabinet members, all of whom are important figures in political parties and all of whom are well aware of what needs to be done to improve politics and democracy in Thailand.

As for changing and improving the country's administrative system in accord with the situation here, people have been making criticisms and calling for such changes for many years. But nothing has been done. Thus, democracy has failed to improve. We have not been able to build a democracy that really belongs to the people.

Gen Chawalit Yongchaiyut, the RTA CINC, has spoken out about the political system, which is the foundation of the country's administrative system, and said that it is still not appropriate. He has called it a trade-company system or monopoly system. The people who run for parliament are not sincere about helping the people or serving as their representative. This must be changed.

It is essential to improve the political system, because politics is the basis of the administrative system. If we can't find qualified politicians who are willing to make personal sacrifices for good of the country, the administrative system will not be able to function properly, benefit national security, or promote the happiness and well-being of the Thai people.

When important national figures say that they want to improve the country's administrative system so that it fits the situation here, academics, politicians, and other knowledgeable people should cooperate and participate in formulating a line improve the system in order to perfect democracy in Thailand.

EDITORIAL BACKS PREM ON KING'S SPEECH, FEARS FOR MONARCHY

Bangkok NAEO NA in Thai 10 Mar 87 p 3

[Editorial: "Politicians Are Wrong"]

[Text] "I ask that people do things with a view to benefiting the country as a whole. People should carry out their duties with an awareness of the need to work together for the benefit of the people. People should consider the country's image in the eyes of foreigners."

The king made the above remarks to the cabinet on 14 August 1986. NAEO NA has printed his remarks because they are of great value to all people. His remarks should be disseminated and taken to heart by everyone.

Gen Prem Tinsulanon mentioned the king's remarks at a cabinet meeting. The king said that simply imitating foreign political systems is not a good way to do things. Because each country has its own customs. Thailand has its own unique customs and so we must find a way out that is suited to Thailand. Gen Prem did not do anything wrong. Rather, he did the right thing. He should continue to do things like this.

The fact that politicians have charged the prime minister with taking this opportunity to make political use of the monarchy shows that they are looking at things in a narrowminded and careless manner. They are selfish, jealous, greedy, and bad tempered. These politicians should review their own mistakes to see exactly who is making political use of the monarchy.

Every year, the king speaks on numerous occasions. The government, parliament, and various organizations often quote his remarks to help improve things. As the head of the government, Gen Prem has the right to do this. The political parties have the same right.

We are surprised by the reaction of the politicians and their opposition to Gen Prem on this issue. The politicians can attack each other as much as they want. But they should not drag people who are not concerned, particularly the king, into this.

It has been almost 55 years since the administrative change. Throughout this period, politicians have constantly charged others with destroying democracy. But they have never questioned their own actions to see if they are destroying democracy. The same is true in the case of the remarks made by the king. If politicians continue to attack the prime minister and the cabinet like this, if democracy should manage to survive, it will be because of the skills of real politicians.

THAILAND

BRIEFS

THIRD ARMY APPOINTMENTS--Army news reports that General Chawalit Yongchaiyut, commander-in-chief of the Royal Thai Army, has signed the order appointing Major General Siri Thiwapan, assistant commander of the 3d Army to be commander of the 3d Army replacing Lieutenant General Chaichana Tharichat. The position of assistant commander of the 3d Army will be given to Major General Witun Sunthonchan, commander of the Chiang Mai Military District. This appointment must await General Prem Tinsulanon's return from overseas so that he can sign it and forward it to the king. [Text] [Bangkok MATCHICHON in Thai 11 Mar 87 p 16] 13217/12232

CSO: 4207/163

## GENERAL ON STRATEGIC ROLE OF WATERWAYS

BK311437 Hanoi Domestic Service in Vietnamese 2330 GMT 29 Mar 87

[19 March QUAN DOI NHAN DAN article by Lieutenant General Pham Hong Son: "The Strategic Positions of Rivers and Seas in Vietnam's Wars"]

[Text] Vietnam's territory covers a mainland area totaling 331,688 square kms; a sea area encompassing nearly 1 million square kms; over 3,000 offshore islands, large or small, and a relevant airspace. Thus, the land area, including rivers and canals which lie within it, constitutes only one-third of the sea area. If the area of rivers and the sea are included, the cultivatable land area not permanently covered by water makes up less than one-third of the total sovereign territory. Therefore, the Vietnamese fatherland has been referred to by the Vietnamese people as the country of land and waters since time immemorial. This because the country contains not only the land area but also a vast water area.

It is a fact that the land in the lowlands is low and that the amount of rainfall in our country is rated the world's largest or second largest with an annual average of 1,500 mm. Rainfall in the mountainous region reaches 2,000-3,000 mm per year. That is why in the Bac Bo region, during the period before flashflood dikes were erected, 85 percent of Bac Bo's lowland area flooded during the dry season. The characteristics of rivers, lakes, and ponds were clearly shown in our country's ancient picture. From this, we find that Vietnam's agriculture-based economy is inseparable from rivers and waters. Rivers and those stretches of sea jutting into the mainland area have become a lifeline and a main source of life for those inhabitants with their lives depending on rivers and coastal areas. It is because of this that the majority of political, economic, cultural, and military centers are located by water. These centers include Hanoi, Hue, Danang, and Saigon [as heard] cities. All regions from various mountainous regions such as Cao Bang, Lang Son, Lao Cai, and Ha Giang to the midlands and lowlands--encompassing Bac Giang, Bac Ninh, Nam Ninh, Hai Duong, Thanh Hoa, Vinh, and Quang Binh--and even in the south covering Nhatrang, Binh Dinh, and Phu Yen and other large cities such as Can Tho and Ben Tre, have been closely linked to rivers and waters. And from this, the tradition of river and sea navigational skills has taken shape among the Viets.

Wars and military arts in our country have also been greatly influenced by these traditional characteristics of rivers and waters. That is why in the Vietnamese history of wars since the ancient time, all the battles chiefly bear the characteristic of navy-infantry combat coordination. Even the Chinese enemy, who

always used his ground force as the mainstay during invasions of our country, did not fail to take into account the facts that our terrain is crisscrossed with rivers and canals, has a large sea located to the east, and that they would confront contingents of troops and people who, noted for their river and sea navigational skills, maneuver about chiefly on sampans. For instance, when Trieu Da fought Au Lac, he had Nham Ngao bring sampans to the Tien Giang River. During the fight with the Trung Sisters, Ma Yuan had Tuan Zhi bring with him a flotilla of 2,000 sampans. And many major defeats suffered by the invaders from the North since the 10th century, took place on the Bach Dang River beginning in the year 938. With the victory of Ngo Quyen, in the 1077, the Sung army was defeated on the Nhu Nguyet River. All defensive battles and strategic withdrawals and offensives during the reign of the Tran Dynasty were dependant on rivers and seas for maneuvering and combat at Luc Dau Sang, Van Keip, A Lo, Ham Tu, Tay Ket, Chuong Duong, Thang Long, Bach Dang Giang, and Van Don. The well-trained Dai Viet Navy on several occasions joined with the ground force in achieving historic combat exploits such as the troop landings made at Lien Chau and Kham Chau which were then followed by a direct thrust into Ung Chau of the Sung Dynasty by Ly Thuong Kiet who later fought Champa, the battles against the Siamese troops at Rach Gam and Soai Nuoc directed by Nguyen Hue, and even the battle that killed 200,000 troops of Sun Si-Ye. The role played by the Navy over the two elements that launched flank and rear attacks on the invading Qing army in Hai Duong and Lang Giang-Phuong Nhon occupied an important position.

During the anti-U.S. war of resistance for national salvation, besides the tasks of fighting at sea and on various rivers in the north, ranging from the Gianh River to the Red River, our naval warships joined with the air defense force in defending various vital riverside positions against the war of sabotage of the U.S. imperialists. The combat efficiency was relatively good. In the spring of 1979, together with other elements on the ground, an element moving on the waterway and using naval boats, sailed toward the upper reaches of the Mekong River. They fought and chased away Pol Potist boats, fired at and destroyed many of the enemy's riverside targets, ensured river-crossing for various main force army corps, and joined with infantry elements in moving into and liberating Phnom Penh.

Consequently, the history of waterways in the anti-aggression war demonstrates one point: That coordinated amphibious combat operations have been thus far indispensable in our nation's armed struggle. If ever a war of national defense should happen in the future, these operations could be more fruitful and the presence of naval forces in some of the rivers and along the coasts are necessary to the defensive and offensive operations of army divisional groups.

If ever a war of national defense should happen in the future, it would be an all-people, comprehensive, and modern war over a larger area which would cause very great loss of technical materials. The mobility of forces and the guarantee for timely shipments to the theater of operations constitute urgent requirements. The organization of defensive and offensive and river-crossing operations by our forces and the enemy as well as the landing of troops via waterways are combat activities required by the terrain of our country. As a result, the role of rivers and coasts always remain valuable. They can be said to be even more so by several times under the conditions of renovated technical equipment. The

battlefields on waterways are linked to the battlefields on ground. The people's warfare of these battlefields still reflects vividly the modes of local people's war and the people's war using regular army divisional groups, involving also naval groups and fleets to defeat the enemy on the ground and on the waterways and, at the same time, warrant the fulfillment of other assigned duties. In a war of national defense, the naval forces might be required to conduct even more combat operations on waterways, coordinating their operations with the infantry on those battlefields with a large river flowing through, along the coasts, and on islands. We should study the organization of our army.

Proceeding from such realistic requirements of some vital battlefields with favorable waterways, should we need amphibious forces for combat operations? These are fleets of ships with appropriate displacement to operate just off shore and in rivers. There can be marine detachments stationed on board the naval fleets in these waterways to perform such tasks as landings on river banks, river crossings and to escort convoys of transportation ships and mine-detecting boats in rivers. Once we have determined that this is a mode of combat operations by our army on those terrains having many rivers, our military arts should cover the coordination between the infantry troops and the navy units operating on rivers and in those amphibious battles.

The naval zones in those theaters of operations having large rivers and those military regions along the coast should coordinate with one another to unify a defense plan for the coast and naval bases. At the same time, there should also be a combat plan for some inland areas where naval ships will play an effective supporting role fording infantry in major battles that might occur in riverine and coastal cities and towns.

On a given battlefield, and if the conditions permit, we might establish a river fleet on a suitable scale, using types of boats which we can design and build on our own and equip with suitable weapons as required by the mission.

Besides the railways, roads, and airways, communications via the waterways play a very important role in the movement of troops, equipment, and other outfits when the mobilization of forces is required. Dealing with communications and transportation--the central task of infrastructure--the Political Report to the Sixth Party Congress said in part: "In line with the geographical conditions and the current real situation, we are developing waterways transportation on a priority basis."

On the strength of the viewpoint of combining the economy with national defense and in conformity with the Political Report, we welcome the move by the state waterways communications sector to bring into use the types of sea-river-going ships and barges of relatively large load capacities. This type of transport can meet the transportation requirements of the army within the limits of a battlefield or among battlefields.

Should we combine the economy with national defense so that these types of transport can be mobilized to increase the area and capacity of transportation to the maximum? Moreover, we should build river ports at the various important communications terminals to increase the capability of loading and unloading heavy

equipment of the economy and national defense sectors. The military transportation branch plays a definite role in this issue. In developing the various types of transport, we might focus mainly on some types that can warrant such functions as fighting and landing troops.

The rivers and seas in Vietnam occupy their strategic position in both national construction and defense. This is a special characteristic of Vietnam's geography and national traditions in all the fields of economic and social life and military arts.

Vietnam's modern navy uses the sea battlefield as the main arena for fulfilling its duty. Although the question of river operations in some areas is only raised when so required by the situation, it still remains an essential duty. This duty has given rise to the structural composition of the navy's water surface forces, especially the base defense force. This force operates in near-to-shore seas and can move into rivers as required to coordinate combat with the infantry.

Should the issue of organizing some river fleets in major rivers be raised and when should it be raised? This is also an issue which we must ponder. Moreover, should the military regions on the plains and even the divisional groups operating in the Red and Mekong River Deltas and other canal areas be assigned additional naval forces for their routine and combat operations? The aggressors--no matter where they come from--would be strong in tanks and armored vehicles and naval forces. However, once they get deep into our mainland, they will not be able to develop their forces because of our labyrinthian networks of rivers and canals. Although the Mongolian cavalry was traditionally strong throughout Asia and Europe, and the Mongolian ships were large, the Mongolian troops were all defeated by the light infantry and naval forces of the great Viet during the various battles of the Red, Thai Binh, and Bach Dau Rivers under the Tran Dynasty. We should develop the fact that since the enemies rely on long-range battle, we should rely on hand-to-hand combat (using infantry and naval forces). This is a common military tactic. Now, as the enemies are strong with their tanks and armored vehicles and their large naval forces and warships, we must pay all the more attention to developing our naval forces and the local people's warfare in the theater of operations on the waterways.

/12232

CSO: 4200/454

## STREETS OF HO CHI MINH CITY ON CHRISTMAS EVE DESCRIBED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 26 Dec 86 p 4

[Article by X. Th.: "City Streets on Christmas Eve"]

[Text] Unlike in previous years, not many people made it into the streets on this Christmas eve. The protection of law and order and the traffic situation were less strenuous. Public places in general kept their culturally dignified appearance.

By nightfall, many people were already seated in front of their small screens to watch the international soccer match between the All-American team and the other world finalist team. Before the soccer tournament, an extremely interesting and beautiful program of artistic iceskating was shown. The flow of people from the outlying areas and the city's outskirts was negligible, for professional art troupes and other reformed theater troupes gave performances on the spot to entertain those suburban citizens. The Minh To reformed theater troupe performed in Binh Chanh, the Saigon I in Thu Duc, the Trung Hieu in Cu Chi, the classical theater troupe in Tan Binh, the Juynh Long in Go Vap, the Saigon 3 in Tri An, the Phuoc Chung in Duyen Hai, the municipal drama troupe, the tran Huu Trang, Saigon 2, etc., were scattered and gave performances for the suburban dwellers. Tens of thousands of spectators in the 6th, 8th and 11th Precincts and in Tan Binh and Go Vap Districts did not need to go far for a musical and drama performance on Christmas eve. This year, people coming to the city labor cultural hall and stage 126 of the 3d Precinct were not as crowded and noisy as in previous years. Owing to thorough preparation, the number of people going out on Christmas eve was evenly distributed over the city's territory. The 10th Precinct's cultural hall and the Hoa Binh Theater gave only two musicals and yet the number of spectators was small.

People were pleased to see no barricades on some main city arteries as in previous years. This was also another culturally sound feature that should be accounted for.

9458/12851

CSO: 4209/260

## NEW TRAINING PROGRAM FOR BASIC LEVEL CADRES INTRODUCED

Hanoi GIAO DUC LY LUAN in Vietnamese Oct 86 pp 1-4

[Article: "Specialized Program in Some Matters Concerning the State and the Socialist System of Law (for Cadres, Party Members and Youth Union Members on the Basic Level)"]

[Text] The Central Committee of the Communist  
Party of Vietnam  
Department of Propaganda and Training

Hanoi  
5 September 1986

In the on-the-job teaching of political theory, as pointed out in Decision Number 30 of the Secretariat, in addition to the two programs in general political theory and basic theory, it is also necessary "depending upon the requirements of each type cadre, to have programs that provide advanced training in the lines and policies of the party and state, in economic management, state management, etc."

Studying and gaining an understanding of matters related to the state and current law have now become universal needs. Many localities have organized training classes for different types of students under programs compiled by the locality itself or based on the programs taught at party schools. In the immediate future, in order to establish uniform subject matter compatible with the persons who participate in on-the-job study, the Department of Propaganda and Training of the Party Central Committee will compile a program, which is to be taught to cadres, party members and Youth Union members on the village and subward level and at enterprises and agencies.

This is a specialized program designed to support those persons who have a need for training and should not be applied to all cadres and party members. The students instructed under this program should be comrades who have completed the program in theory on the basic level or an equivalent level.

#### A. Objectives and Requirements

The program is designed to provide the student with basic and general knowledge concerning the state and current law; the principles of organization and operation of the administration; and the basic contents of legal documents related to activities on the basic level.

On this basis, this program will help to develop greater consciousness concerning the law and greater self-consciousness in building and strengthening the administration (most immediately the administration on the basic level) and cultivating the style of "living and working in accordance with the law."

#### B. The Contents of the Program

The program consists of three parts with a total of 18 lessons and 2-3 practical reports. Specifically:

##### Part I

#### The Foundations of Marxist-Leninist Theory Concerning the State and the Law

##### Lesson 1: the nature, function and forms of the socialist state

- The birth of the socialist state;
- The nature, function and forms of the socialist state;
- The apparatus of the socialist state: principles of organization and operation.

Taught in four classroom periods

##### Lesson 2: socialist law

- The nature and role of socialist law;
- The forms of socialist legal documents;
- The main fields of law.

Taught in four classroom periods

##### Lesson 3: strengthening the socialist system of law

- The concept of the socialist system of law;
- The specifics and requirements involved in strengthening the socialist system of law.

Taught in four classroom periods

##### Lesson 4: some basic matters concerning socialist state management

- The role and characteristics of socialist state management;
- The function of socialist state management;

--The principles of socialist state management;

--Management methods

Taught in eight classroom periods

Lesson 5: the standards for evaluating the effectiveness of socialist state management.

--The social objectives of socialist state management;

--The standards of state management effectiveness;

--Some matters concerning strengthening and improving the effectiveness of state management.

Taught in four classroom periods

## Part II

### The Constitutional Bases Underlying the Building of the State of the Socialist Republic of Vietnam

Lesson 6: the Constitution of the SRV (1980)

--The objectives and significance of the 1980 Constitution;

--Structure and general contents (the specific contents of each chapter of the Constitution will be dealt with in detail in subsequent lessons).

Taught in two-three classroom periods

Lesson 7: the SRV State

--The views of our party concerning the Vietnam proletarian dictatorship state;

--The organizational structure of the apparatus;

--The basic principles of organization and operation;

--The requirements faced in strengthening and building the role of the state.

Taught in four classroom periods

Lesson 8: the executive agencies of the SRV State

--The people's councils on the various levels, the political base of the state;

--The characteristics of the executive agencies of the state;

--The jurisdiction of state executive agencies.

Taught in four classroom periods

Lesson 9: the management agencies of the state on the central and local levels

--The organizational system;

--Tasks and authority.

Taught in four classroom periods

Lesson 10: the legal status of the citizen, rights and obligations

--The relationship between the state and the citizen;

--The basic rights of the citizen;

--The basic obligations of the citizen.

Taught in four classroom periods

Lesson 11: the organization and operation of the trial system in Vietnam

--The court system and the methods of building this system;

--Principles of operation;

--Lessons learned from trial proceedings on the local level.

Taught in four classroom periods

Lesson 12: control work in Vietnam

--The position of the organs of control within the state apparatus;

--Organizational structure;

--The elements of control work;

--Lessons learned from practical activities on the local level.

Lesson 13: the organization and operation of the village level (or subward level) administration

--The role, position, nature, function, tasks and authority of the village level administration;

--The principles of organization and operation of the people's councils and people's committees;

--The requirements faced in strengthening and building the village level administration.

Taught in eight classroom periods

Practical Reports (two-three reports)

+ On the activities being conducted by the village (or subward) people's councils and people's committees with the aim to perform tasks in keeping with the spirit of Decision 112/HDBT (15 October 1981) or Decision 94/HDBT (26 September 1981).

+ On the trial proceedings of district, precinct and ward courts and the situation surrounding compliance with the law and the maintenance of order and security on the district and village levels.

### Part III

Summary Introduction of the Objectives and Contents of Some Legal Documents

Lesson 14: the regulations on cropland (four classroom periods).

Lesson 15: the Military Service Law (four classroom periods).

Lesson 16: the Marriage and the Family Law (four classroom periods).

Lesson 17: Criminal Law (10 classroom periods).

Lesson 18: Economic Law (some documents of a legal nature).

C. Length of Study

+ Amount of time spent in class (including practical reports) = 84 classroom periods.

--Part 1 = 24 classroom periods

--Part II = 36 classroom periods

--Part III = 24 classroom periods

--Practical reports = 16 classroom periods

+ Amount of time spent reading materials = 40 classroom periods

+ Amount of time spent exchanging opinions, discussing and drawing conclusions = 30 classroom periods

Total: 170 classroom periods

If only the amount of time spent in class and in discussing subjects and reaching conclusions is included, the total is 140 classroom periods, or the equivalent of 18 days in class.

#### D. Materials

--Lesson plan, primarily based on the materials "Outline Guiding the Study of the Subjects of the State, the Law and State Management" (already sent to the provincial and municipal party schools);

--"The Organization and Operation of the Village and Subward Level Administrations..."(issued by the Organization Department of the government in 1984);

--The Constitution of the SRV (1980);

--The Code of Criminal Law (issued by the Ministry of Justice in 1985);

--Various legal and sub-legal documents stipulated within the program.

#### Reference materials:

--"The Principles of Building the Soviet State and Jurisdiction"(Marx-Lenin Publishing House, 1986);

--Some lesson plans of Soviet professors (circulated internally by the Central School of Administration).

#### E. Organizing Implementation:

--Responsible for implementing this program are the provincial and municipal propaganda and training committees, which must coordinate with the on-the-job provincial and municipal political theory schools in preparing a plan for the implementation of this program so that the party committee can decide upon this plan, guide the contents of this program, select and train instructors and supply materials. The district propaganda and training committees must coordinate with the district party schools and the party committees on the basic level in organizing and managing classes and observing and evaluating the results of classes (classes should be held on the district level or at basic units, depending upon specific conditions).

--The corps of instructors must be organized, selected and trained before classes are opened. This corps must consist of:

- + Instructors in the state and law department of the party school;
- + Instructors at the provincial school of administration;
- + Leadership cadres and specialists of the court, control and internal affairs sectors;

+ Propaganda and training cadres, on-the-job school cadres...who have studied or been trained in matters concerning the state and law.

Every province must hold a conference to train instructors before implementing this program.

--The basic contents of the program must be preserved. Depending upon the specific requirements and conditions of the locality, all three parts of the program can be studied at one time. It is also possible to arrange for part of the program to be studied at an appropriate time.

--The guideline of closely tying theory to practice must be thoroughly implemented. Practical problems that arise in strengthening the administration and the law on the local level must be presented in lessons. Practical reports are mandatory and must be thoroughly prepared.

--The required amount of time must be provided for discussion and debate with the aims of giving students a deeper understanding of what they studied, exchanging thoughts and discussing specific proposals in order to make positive contributions to the agencies of the state on the local and basic levels. The proposals of the class must be forwarded to the party committee and administration on the basic level or the upper level if deemed necessary. At the end of the class, what was learned must be summarized and a program of action must be adopted.

Note: instructions concerning the specific contents of each lesson in this program will be forwarded at a later date by the On-the-Job Education Department.

7809

CSO: 4209/334

## TEACHING POLITICAL THEORY IN LINE WITH PARTY VIEWS URGED

Hanoi GIAO DUC LY LUAN in Vietnamese Oct 86 pp 5-6

[Article: "Fully Incorporating Economic Views in the Teaching of Political Theory"]

[Text] In the process of reviewing practice and continuing to refine the Political Report (draft) of the 6th Congress, the Political Bureau of the Central Committee of the CPV reached unanimous conclusions concerning a number of matters regarding economic views. These matters concern the structure of the economy; socialist transformation and the strengthening of the new production relations; and the economic management mechanism. These conclusions have the effect of further clarifying the strategic thinking of our party concerning socialist construction, in general, and leadership of the economy, in particular, during the period of transition, especially in the initial stage of the period of transition in our country.

They are the basis for shaping correct positions and policies aimed at resolving pressing socio-economic problems, advancing our country's economy beyond the difficulties being experienced today and gradually stabilizing and developing the economy.

Thoroughly implementing the economic views of the party and adopting correct policies and methods will make it possible to strengthen the socialist system of democracy, more fully tap the creative capabilities of the laboring people, develop the potentials of the country better and make better use of the cooperation and assistance of the fraternal countries in order to strongly develop production forces and bring about the dynamic and wholesome development of the economy and social life.

Consensus through the party concerning the conclusions of the Political Bureau regarding a number of matters related to economic views is an important guarantee of the success of the 6th Party Congress and of our country's revolution.

The party schools and party school instructors--as tools of education and organization of the party--have the task of immediately promoting efforts to

research and fully incorporate these views in the subjects and methods of teaching at party schools, considering this to be the most practical and direct way to respond to the 6th Congress.

At present, in our thinking as well as in the teaching of Marxist-Leninist theory, there are more than a few things that are not consistent with the revolutionary and creative nature of Marxism-Leninism, with the realities of Vietnam, with the people of Vietnam, with the specific conditions of history and the economy, with the society and traditions of Vietnam.

These conclusions reached by the Political Bureau more clearly reflect the nature of the revolution as a revolution divided into stages and show the inevitable stages through which we must pass, stages which we cannot skip on the basis of subjective desires. These conclusions reflect the complex and lengthy nature of the process of transforming and building socialist society in the period of transition in our country, a process which we once thought could be concluded in the space of 15 to 20 years (!). These conclusions are a summary of the experiences of recent years--successes as well as failures--illuminated by a scientific world view and the broad historical experience of real international socialism. This review was conducted in accordance with the principles of squarely facing the truth, daring to admit and change past mistakes in one's thinking and decisions and knowing how to go beyond the framework of concepts that are familiar but have become outmoded. In keeping with this approach, the Marx-Lenin Departments can and must make bold changes and improvements to the subject matter being taught so that it is compatible with the views of our party.

The conclusions of the Political Bureau represent a very important change in economic thinking, the most important aspects of which are recognizing and more correctly applying the system of objective laws that are exerting an impact in the period of transition in our country--among which the special laws of socialism play the dominant role--in order to improve our understanding of the structure of the economy, production relations and the economic management mechanism. On the basis of the conclusions of the Political Bureau, guidelines now exist for solving many problems of political economics concerning socialism that have long been "encountered" by instructors and which students have not truly thoroughly understood. Therefore, we must organize research in order to gradually change and improve the subject matter concerning scores of issues taught under the subjects of political economics and economic management.

The new concepts concerning the structure of the economy, concerning socialist transformation and the strengthening of the new production relations and concerning the economic management mechanism also permit and demand that we abandon old and simplistic concepts of socialism; of the period of transition; of the relationship between the proletarian dictatorship and the infrastructure; of the relationship between politics and the economy, of the moving forces of socialism and the alliance of workers and farmers under the new conditions that exist today; of the relationship between state management and the management of society and the economy, etc. These are bases that permit us to revise the knowledge presented in the subjects of scientific socialism and state management.

Because the conclusions reached by the Political Bureau are in the nature of an historical review and are profoundly critical, they also have a direct impact upon the Departments of Party History and Party Building.

The conclusions of the Political Bureau concerning a number of matters pertaining to economic views are very valuable theoretical documents in the efforts to adopt new thinking and revise the subject matter presented in the teaching of theory at party schools. With these conclusions, we must continue to think, to organize many appropriate forms of research into theory and review of practice--the practice of the revolution and the practice of instruction--so that we write, speak and teach theory in line with the view of the party and in a manner more consistent with practice in the initial stage of the period of transition in our country.

7809

CSO: 4209/334

## CURRENT NEEDS IN IDEOLOGICAL WORK DISCUSSED

Hanoi GIAO DUC LY LUAN in Vietnamese Oct 86 pp 7-12

[Article by Ho Van Chieu: "Understanding the Special Characteristics of Our Party's Ideological Work in the Present Stage"]

[Text] In all stage of the revolution, in the work of transforming the old society and building the new, our party has always attached importance to ideological work and has achieved large results in this field.

At present, new, large and weighty tasks confront our party and people, tasks which demand that ideological work itself be improved. This is also an important task in the building of the party, in particular, and in the socialist revolution in our country, in general.

When making improvements to its ideological work, our party always acts on the basis of the general laws governing the development and conduct of this work. One of the expressions of these laws is the need to link ideological work to the performance of the specific socio-economic and political tasks of each stage of the revolution. V.I. Lenin discussed this need at great length. The 27th Congress of the CPSU also stressed: "Ideological activities must be closely tied to the realities of society, must possess the depth of ideology and theory, must reflect full and precise attention to the realities of life at home and in the world. Our party always considers closely tying ideological work to the performance of political tasks and to the revolutionary movements of the masses to be a very correct guideline because, if ideological work is divorced from the political task, if it does not support the political task, it will become "ideological work for the sake of ideology" and not help to stimulate the advance of the revolution. Consequently, when researching and improving ideological work, it is first of all necessary to analyze the realities and characteristics of society and the characteristics of our thought processes as objective prerequisites to ideological work.

As pointed out in the proceedings of the 5th and 4th Party Congresses, the characteristics of the realities of society that are exerting an impact upon our thought processes are, most importantly, the transition being made from a society in which small-scale production predominates to socialism without experiencing the stage of capitalist development. These are the major

characteristics that reflect the nature of the socialist revolution in our country. These characteristics are not only evident in our backward state of economic development and backward material-technical bases, but also in our low level of cultural development, which includes work skills, especially the psychology and habits of the small-scale Asian farmer. In addition, our country has also suffered the consequences of several decades of war against France and the United States as well as the consequences of the wide-ranging war of sabotage currently being waged by the imperialists and international reactionaries. This situation makes the period of transition to socialism in our country a long and complex period in our history, one that entails many different stages. And, transitional economic forms, transitional production relations and transitional economic measures will surely remain in existence for quite some time.

In addition to these major characteristics and due to the specific historical circumstances of our country on entering the period of transition, there are also differences in concepts, thinking, habits and lifestyle between the South and the North. This situation requires that attention be given in ideological work to eradicating the vestiges of feudalism while combating the influences and vestiges of neo-colonialism and adopting suitable and effective guidelines, forms and measures to be applied in ideological work.

In addition to socio-economic characteristics, there are also characteristics in the ideological field of which mention must be made. They relate to the fact that socialist construction in our country is taking place against the background of a sharp ideological struggle in the international arena.

As has been the case in the other countries within the socialist community, ideological processes in the period of transition in Vietnam are reflections of society in various ideological forms, are the development of socialist ideology and the infusion of this ideology in the consciousness of the masses, thereby cultivating communist confidence on the part of the laboring masses.

On this basis, we can identify the following number of characteristics of ideological processes during the period of transition to socialism in our country:

First, when our country embarked on the period of transition, it had no working class aristocracy, the bourgeoisie was weak and small and the petty bourgeoisie consisted mainly of peasants. Therefore, in Vietnam, there has not been the social base needed for opportunism to develop into a system of theory. In our country, opportunism only exists in the forms of "leftism" and rightism. Therefore, in Vietnam there have not been bitter ideological-theoretical struggles like the struggle against Trotskyism that occurred in the Soviet Union during the period of transition. This characteristic has created favorable conditions for accepting, applying, developing upon and spreading Marxist-Leninist ideology to cadres and the masses. On the other hand, however, it has also prevented us from sharpening our theoretical thinking through struggles. Of course, the difficulty in forming our socialist consciousness lies in researching, grasping and developing Marxist-Leninist theory under the conditions of backward economic and technological development compounded by a low level of cultural development. Here,

attention must be given to an observation made by Lenin: "The working class and its thinkers comprehend Marxism most easily, most quickly, most fully and most surely when large-scale industry has reached its highest level of development."(1)

Under these conditions, the establishment of socialist ideology in our country demands that we "make thorough and creative use of the storehouse of theory of Marxism-Leninism"(2) in the teaching of theory on a large scale in a determined effort to overcome subjectivism, which is manifested in a lack of scientific, comprehensive analysis of the socio-economic situation and a lack of knowledge of objective laws, in a determined effort to combat individualism and opportunism of every form; "establish the steadfast revolutionary stand of the working class in the struggle between the two paths and overcome rightism and 'leftism'."(3)

Secondly, because ideological processes are divided into stages, in the formation of socialist ideology within each country and during each stage of history, one aspect or another of this ideology assumes paramount importance.

This, as Lenin said: "Does not mean that we can, at such times, give light attention to one of the various aspects of Marxism. It only means that we give more attention to one aspect or another not because of subjective desires, but the whole of historical conditions."(4) In our country, the process of the formation of socialist ideology can be viewed as being divided into stages that correspond to the two major stages in the history of our party, the first lasting from the time that the party was founded (1930) until the day that the South was totally liberated (1975) and the second encompassing the period from 1975 to the present day. In the first stage, in clear contrast to Russia and Germany, politics, strategy, tactics and then the philosophy of Marxism-Leninism assumed paramount importance in our country. As a result of Marxism-Leninism combining with the patriotic tradition and creative thinking of our party, our ideology acquired enormous strength.

In the current stage, it is clear that the economic aspects of Marxism have assumed paramount importance. Under the conditions of advancing from small-scale production to socialism without experiencing the stage of capitalist development, it is clearly difficult to incorporate, apply and develop upon the economic aspects of Marxism-Leninism. Therefore, spreading the economic theory of Marxism-Leninism and molding socialist economic consciousness and thinking among cadres, party members and the masses have become a very important part of ideological work. The 5th Party Congress emphasized: "We must successfully organize efforts to cultivate in cadres and party members the style of economic leadership, an intense and urgent revolutionary spirit, a practical outlook, the ability to do business and calculate efficiency and the ability to discover and develop the potentials of the country."

Thirdly, the period of transition to socialism in our country is an historic turning point, one which demands revolutionary reforms in all aspects of social life. However, "it very frequently occurs that, in the face of sudden turning points in history, even progressive parties fail to acclimate to the new situation for a relatively long period of time and continue to espouse old slogans, slogans that were true yesterday but have lost all meaning today,

lost their meaning with the same 'suddenness' that this sudden turning point in history occurred." (5) In recent years, facts have proven that we have committed mistakes in socio-economic management, in concretizing and implementing the line of the party. This also proves that, at a turning point in history, our ideological work has been ineffective, has not been timely and has been lacking in militancy. In particular, following the victory over the United States, we failed to mount a widespread educational effort concerning the shift being made to the new stage and failed to fully anticipate difficulties and the changes in the thinking of cadres, party members and the masses in order to take every possible measure to prevent negative phenomena. (6) Therefore, to bring about a change in the socio-economic situation, it is first of all necessary to change our outlook and our thinking, most importantly our economic thinking.

Fourthly, the ideological process in our country is occurring against the background of socialist transformation and socialist construction being constantly sabotaged by the imperialists and international reactionary powers and against the background of the intense ideological struggle being waged in the international arena. The central feature of the political strategy of imperialism is to sabotage the socialist countries ideologically. They have intensified their propaganda and sabotage efforts against the countries of the socialist community. In their acts of sabotage aimed at the various strata of people in our country, they have used radio facilities and the press in more than 40 countries. In the United States alone there are as many as 25 centers using audio tapes and technical facilities in the effort to oppose and attack Vietnam. In addition to reactionary books and newspapers, to radio and television stations, they are also employing such cunning tactics as starting malicious rumors, fabricating slanderous allegations, molding distorted public opinion... Therefore, the process of establishing socialist ideology in our country must be closely tied to the bitter struggle against ideological sabotage by the international reactionaries.

On the basis of the analysis of the ideological processes that have occurred in our country and on the basis of studying the experience of the CPSU and other fraternal parties, we can clearly see that the ideological work being conducted in our country is a reflection of those issues that are in the nature of general laws in ideological work in all countries on entering the period of transition to socialism. These are the issues of the ideological and cultural revolution, of raising the cultural standards of the masses, of resolving the theoretical problems raised by practice, of teaching politics to the masses in a steadfast manner and on a large scale... However, because their historic conditions and circumstances differ, in Vietnam as well as every other country, as we have seen, these general laws are manifested in separate ways.

To begin with, let us discuss the theoretical activities of the party. Whereas, when embarking on the period of transition, the Soviet Union had to resolve a host of theoretical issues, such as the issue of war and peace, the issue of the new economic policy, the nationalities issue, the issue of building a multinational socialist state, the strategy and tactics of the international communist movement and the issue of industrialization and agricultural collectivization, particularly the plan for building socialism in

the Soviet Union, in our country, the party has faced a host of different issues, such as the issues of the structure of the economy, the various segments of the economy and the economic management mechanism, the relationship between patriotism and internationalism (brandishing the two banners), achieving a combined strength, simultaneously carrying out the three revolutions, applying the laws governing the advance from small-scale production to large-scale, socialist production, the issue of combining the interests of the state, the collective and the individual in a way that is well balanced, etc. Resolving these issues is the basic requirement of all ideological work in the current period. Of course, in the immediate future, we must also solve many theoretical problems raised by the realities of the revolution in our country. The 5th Party Congress stressed: "Very much importance must be attached to reviewing our actual situation, particularly our economic situation, to reviewing economic activities and drawing lessons and experience in order to lay the groundwork for concretizing the line of the party, for developing and further clarifying this line in order to apply the laws governing the advance from small-scale production to large-scale, socialist production in our country in a correct and creative manner."

The same holds true in the field of cultivating the world view. Whereas in the Soviet Union during the period of transition, efforts to cultivate the Marxist-Leninist world view among the masses were carried out at the same time as criticizing and struggling against Trotskyism, against bourgeois and petty bourgeois ideology, in our country, the process of cultivating the socialist world view is being carried out in conjunction with overcoming the fragmentation, localism and lack of organization of the small-scale producer, combating the influences of bourgeois thinking and abolishing the remnants of feudal and neo-colonialist thinking.

In the field of teaching proletarian internationalism and socialist internationalism, our party has also displayed creativity. Whereas, in the Soviet Union during the period of transition, the teaching of internationalism stressed the unity of nationalities in the process of forming a multinational socialist state, in Vietnam, the teaching of internationalism has been closely combined with teaching patriotism, important aspects of which are teaching that militant solidarity among the three countries of Indochina--Vietnam, Laos and Cambodia--is a matter of vital importance in the destinies of the three nations, teaching the need to unite closely and cooperate in every field with the Soviet Union, which are a strategic principle and also a matter of revolutionary sentiment, and teaching the need to unite with the countries of the socialist community and with the national liberation movement.

In addition to the unique aspects of the guidelines governing ideological work and the specific requirements of this work, the methods and means employed in ideological work also reflect creative approaches by our party. Consider, for example, the field of propaganda and agitation. In the Soviet Union during the period of transition, the party attached very much importance to this work, considering political agitation in support of the Soviet administration, the proletarian dictatorship and the effort to strengthen the new state of workers and peasants to be its most important task. Later, in the 1930's, economic agitation through the Stakhanov movement became intense throughout the union. In our country, our party has also attached very much importance

to agitation and pointed out that, in all stages of the revolution, mobilizing and organizing the masses in revolutionary struggle are matters of strategic significance. On the other hand, it has, since its founding, combined political agitation with political education and economic education.

During the resistance against the United States for national salvation, our party established a verbal agitation system with a widespread and increasingly improved network of reporters. At the same time, it developed the system of formal and on-the-job party schools, extending it all the way down to the basic level, at which subjects suited to the different types of students were taught with the aim of insuring that Marxism-Leninism assumed the position of absolute dominance within the political and spiritual life of the people.

Moreover, our political education has been closely combined with forging the qualities of party members and the masses. Due to the characteristics of the period of transition, a decisive struggle must be waged in every country during this period against negative phenomena in social life, within the corps of cadres and party members and among the masses. In our country, the party has asserted that political education must go hand in hand with forging qualities in order to cultivate an unyielding will, unshakeable determination and the necessary knowledge among all party members, all the people and all the armed forces in order to perform the two strategic tasks of building socialism and defending the fatherland.

Combining political education with forging the qualities of the revolutionary not only is necessitated by the realities of the period of transition, but also entails a dialectical relationship between qualities and skills, between intellectual development and communist ethics. Man accepts theory, knowledge and principles through the prism of his interests and character. Therefore, negative phenomena, the decline in personal qualities, the lack of sensitivity, the entrenched bureaucracy and conservatism...are thwarting the full acceptance of and strict compliance with lines and policies. In forging the qualities of party members and the masses, criticism and self-criticism play a very important role. At the same time, they must be closely combined with inspections and the maintenance of regular party chapter activities. President Ho Chi Minh taught: "To make all cadres and party members worthy of being revolutionary militants, our party must make every effort to intensify the teaching of communist ideals, the lines and policies of the party and the tasks and ethics of the party member throughout the party. Serious criticism and self-criticism must be practiced within the party. We must welcome and encourage the frank criticism of cadres and party members by the masses. There must be strict adherence to the activity schedules of party chapters. The discipline of the party must be strict. The inspection activities of the party must be thorough."(7) In addition, forging qualities also demands that we cultivate new habits and practices and establish new social standards.

Finally, due to the complex nature of the ideological struggle in the international arena and due to the complex changes occurring within the ideological processes that take place during the period of transition, managing ideological processes in our country is an urgent necessity. The management of ideological processes demands that we analyze the objective situation, predict changes in the field of ideology and, on this basis, plan

ideological work and organize the implementation of these plans. The management of ideological processes also demands that we organize the flow of social information well, control the sources of social information, affect the formation of public opinion and create a wholesome atmosphere in terms of social attitudes, one that is favorable for ideological work, in particular, and the entire cause of building socialism in our country, in general.

#### FOOTNOTES

1. V.I. Lenin: "Collected Works," Volume 20, Progress Publishers, Moscow, 1980, p 77.
2. "Van kien Dai hoi V," [Proceedings of the 5th Congress], Volume 3, p 39.
3. Ibid., p 42.
4. V.I. Lenin: "Collected Works," Volume 20, Progress Publishers, Moscow, 1980, p 153.
5. V.I. Lenin: "Collected Works," Volume 34, Progress Publishers, Moscow, 1976, p 14.
6. "Proceedings of the 5th Congress," Volume 3, p 23.
7. Ho Chi Minh: "Ve cong tac tu tong," [Ideological Work], Su That Publishing House, Hanoi, 1985, p 94.

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CSO: 4209/334

## FEMALE CENTRAL COMMITTEE MEMBERS EXPRESS ENTHUSIASM FOR REFORM

Hanoi PHU NU VIETNAM in Vietnamese 24-30 Dec 86 p 5

[Interview with some new female members of Party Central Executive Committee by Bang Thuong: "The Party's Female Central Committee Members Answer," date and place not specified.]

[Text] Editor's note: At the party's Sixth National Congress, 13 women were selected to join the party's Central Executive Committee. After the Central Executive Committee was presented to the congress, CHU NU VIETNAM's reporter obtained interviews with a number of these women members. Their answers follow.

Comrade Cu Thi Hau (CTH), Sixth Party Central Executive Committee member, workers' heroine, assistant secretary of light industry's labor union.

[Reporter (R)] Do you think that the reform slogan that was emphasized at the Sixth Congress will be completely implemented?

[CTH] Of course, in every matter, the implementation phase is the most complex since reality is always extravagant and complex. Personally, I think the reform policy will be implemented according to the spirit of the Sixth Congress. Even within the congress, there are many new things.

[R] Concretely, how will your light industry sector be affected?

[CTH] Of the three projects the Sixth Congress advocates, our sector contributes to two: the production of consumer goods and the production of export goods.

We are trying to lower production costs. In order to lower costs, we must change the variety of merchandise and change our methods and our rules for equipping the industry, and we must save resources and materials. Our weaving industry is researching ways to balance prices. We are also organizing to allocate workers logically. The preliminary steps have contributed to a marked increase in productivity.

[R] Do you have any particular concern?

[CTH] Of course! There are two matters I wish to raise so that the government can study them and find speedy solutions to these problems. The first is that the government needs to have better policies on training about harmful effects and better training for the third shift. For instance, we need rules allowing purchases by ration cards of provisions and food to feed the workers between shifts at the enterprises, to buy material to train workers about the third shift and the harmful effects of this shift, etc. Many localities and many enterprises do not set aside any cash to buy provisions and food and therefore have not been able to continue serving the mid-shift meal at their facilities. As a result, the workers' strength has diminished, which has influenced production in the long run. Second, to match the regulation allowing the expansion of the powers of the enterprises' directors, we need a regulation on the workers' right of collective ownership, and this regulation needs to be stated clearly in order to avoid cases of a director using his powers for personal gain, being unfair to this person, and deceiving that person, cases of a director bringing relatives and friends on board.... These examples are real. I think the government should investigate them as soon as possible.

Comrade Truong My Hoa (TMH), Sixth Party Central Executive Committee alternate member, secretary of Tan Binh Precinct, Ho Chi Minh City Vietnamese Communist Party Committee.

[R] Would you tell us your impressions after having participated in the party's Sixth Congress?

[TMH] First, I must mention that I am very happy and enthusiastic, but I am also worried. My main feeling is worry, concern.

[R] Are you worried that the reform policy will be difficult to implement?

[TMH] I worry because, at the moment, our country is having so many difficulties, and the people's standard of living is so poor. Because I am able to attend the congress, and have the honor of being an alternate member, my responsibility increases proportionately. What shall I do after the congress to merit the confidence of the congressional delegates and to accomplish my new position's mission? Exhilarating, yes, but I am also very concerned.

[R] What do you worry about most?

[TMH] The reform project. We will definitely institute reforms. The congress has so decreed. The congress has debated, and the program will be implemented. To me, the direct guidance on the three goals of the basic economic program is already clear, and having had the privilege of listening to the ideas and experiences of the delegates, I have even more advantages in dealing with the concrete guidance of the localities. The problems of building a framework, of investing in the economy, of cadre reform, and of changing work procedures have all been thoroughly debated. By thoroughly understanding the four lessons-- of building and developing the workers' right of ownership by taking the people as roots, by acting according to objective rules and respecting them realistically,

and by combining the strength of the people and the strength of the era--we must build up the party to the level of a governing party leading the people in a socialist revolution. Our locality must think carefully about using our resources to their full potential. If the Central Executive Committee does its leadership job well, I am positive the reform program will succeed.

Comrade Nguyen Thi Xuan My (XM), Sixth Party Central Executive Committee alternate member, Hai Phong municipal committee permanent member, secretary of the Le Chau District Vietnamese Communist Party Committee.

[R] Would you tell us what the congress's decision means directly to your locality?

[XM] Being a precinct in a populous city, we have our own characteristics. However, like all other localities, thanks to the clear direction of the congress, the reform mission in our area will be smoother. The problem I am most cognizant of, and which would affect my precinct the most, is to change the way of thinking, to change people's attitudes, especially to reform economic management. Previously, our precinct raised the question of the family-based economy, the question of applying scientific techniques, especially from microbiology to production and personal production.... Many people were still doubtful, but now we have a definite text. PHU NU VIETNAM once published an article encouraging our precinct in a number of economic endeavors and new procedures, and we sincerely thank your newspaper for being sympathetic and supportive.

[R] Comrade, what about socialist culture?

[XM] As you know, my precinct has always considered all facets of every problem. We paid attention to all subjects, from school rooms to senior citizens, to playground for youths, to the lives of the wounded and handicapped soldiers' families, and to improvement in methods of examining and treating the sick.

[R] Do you think that successful reforms, especially changes in the cadres' tasks, will be a very difficult mission?

[XM] The battle of progress versus established habits will always run into difficulty, but progress will definitely win.

[R] What are your impressions after participating in the Sixth Congress?

[XM] I am very enthusiastic, although many problems still exist. Different ideas were exchanged forthrightly, wholesomely, clearly, and realistically, leading to unity.

I saw that the Central Committee paid more attention to the basics. Even the fact that I was allowed to join the Central Executive Committee illustrates

this fact. (I know there are many comrades who are much more virtuous and talented than I.) Because of this honor, I hold a bigger responsibility and will try to be worthy of everyone's trust.

[R] Thank you, Comrade!

[XM] I also thank you and PHU NU VIETNAM.

12654/12851

CSO: 4209/261

## DEVELOPMENT OF LAM DONG ECONOMIC ZONE REVIEWED

OW240955 Hanoi VNA in English 0705 GMT 24 Mar 87

[Text] Hanoi, 24 Mar (VNA)--Ten years ago, what was to become the new economic zone in Lam Dong in the central highlands settled by people from Hanoi was only a wilderness, now it is inhabited by 4,000 households with 20,000 members.

They have cleared 5,400 hectares of virgin land on which they have planted food crops, short-term industrial crops and perennial industrial crops. They have set up 5 factories, three collective farms and more than twenty cooperatives. In those ten years, this settlement has produced more than 25,000 tons of food, and yearly average of 234 kilograms per person.

The herd of cattle now numbers 1,200 head. People have also raised nearly 4,000 pigs, 22,000 poultry, and the fishponds total 160 hectares in area.

The total output value of industry, small-scale industry and handicrafts has also increased. The products include bricks and tiles, pine resin, animal feed and carpets made of maize spathes.

There is electricity for most houses, a polyclinic and a smaller unit totalling 80 beds. Great strides have been made in education; while in 1977 there were only 22 school-teachers and 570 students for the whole settlement, now their numbers are respectively 300 and 6,000.

The objectives for the year 1990 are as follows: A population of 50,000; 200 hectares of coffee, 800 hectares of mulberry, 600 hectares of tea; 3,500 oxen and cows; near-self-sufficiency in food. Forests and forestland will be entrusted to the grass-roots, and better application will be made of scientific and technical progress. Economic association is to be encouraged among various units for better exploitation of natural resources, and a boost will be given to foreign trade.

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CSO: 4200/450

## ROLE OF HO CHI MINH CITY IN THREE ECONOMIC PROGRAMS VIEWED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 25 Dec 86 p 1

[Editorial: "Ho Chi Minh city With Three Major Economic Programs"]

[Text] The political report of the Sixth National Party Congress advocated three big economic programs: grain and food, consumer goods, and export goods. Another report pertaining to the direction to follow and to major economic and social developments in the next 5 years (1986-90) presented at the congress translated those programs into actual tasks and recommended implementation measures. The programs may be considered the backbone of economic and social work in the upcoming years. Their successful completion is required to attain stabilization of the economic and social situation and of the people's lives. They are virtually a matter of survival for the immediate future and create a physical and material basis absolutely indispensable for the next phase.

For the whole country and with the whole country, Ho Chi Minh City--the industrial center of the nation--has the great responsibility for actively contributing to the successful completion of those three programs.

In perfect agreement with the Sixth National Party Congress, everyone sees the Mekong Delta as the largest center for the production of rice and goods in the entire country. With its present industrial potential and in conjunction with other industrial centers, Ho Chi Minh City will play a catalyst role in the Mekong Delta and other neighboring localities in stimulating the production of grain and food, chiefly rice, and the development of animal husbandry. The city will also contribute, along with provinces in eastern Nam Bo, in the southern Highlands, and in southern Trung Bo, to the expansion of industrial crops and fisheries. In order to do that, the city will produce, restore, and overhaul various machines used in agriculture, forestry, and fisheries. It will assemble, rebuild, and produce accessories and other necessary agricultural tools. The city will also develop its processing industry, chiefly refining, with the aim of enhancing the quality of agricultural products for export. In addition to providing support for the production and processing of grain and food for neighboring provinces, the city will also endeavor to make the best use of the outlying areas' potential in agriculture, fisheries, and forestry in order to address most of its industry's grain, food, and raw materials needs and to make export products locally.

In order to address the needs of the rural people better, to produce a substantial quantity of diverse goods for trade against agricultural products in the Mekong Delta and neighboring provinces, and to contribute to addressing the needs of the people in the whole country and support our trade activities with Laos and Kampuchea, Ho Chi Minh City will develop its strengths in the production of consumer goods in both the industrial and the small industry and handicraft areas. Using presently 40-50 percent of the capacity of its equipment, the city already takes up 40 percent of the total value of consumer goods produced in the whole country. Carrying out the resolutions of the Sixth National Party Congress and the Fourth Municipal Party Congress, the city will endeavor to raise the output of its machinery and equipment to 70-80 percent, bringing up the value of the consumer goods product, enhancing the quality of the products, and making more commodities respond to the tastes of consumers.

In terms of exports, in addition to the creation in the outskirts of economically viable new planting areas for export and related investment, development, and maintenance activities for those areas, and to the identification and improvement of the sources of production of export goods, the city will actively develop all forms of on-the-spot exports of labor and participate in the exploitation of international services in airlines, sealines, tourism, and seaport and airport activities. On the other hand, the city will pay proper attention to the exploitation of the sources of foreign currency provided by Vietnamese nationals abroad and of non-trade goods sent home by the latter, for they are a significant economic potential who ought to be optimally used in support of production and livelihood and for the common well-being of society.

Science and technology will play a very important role in the implementation of the above three programs. The city will expand its strengths in this field through stimulating, developing, and enhancing productivity and the output and quality of grain and food, consumer goods, and export goods. Therefore, it will need a more appropriate policy for the use of existing scientific and technological means and forces. It will not simply apply scientific and technological know-how in production but will integrate scientific and technological forces in production and make science and technology a direct production force in conformity with the party's concepts. On the other hand, the city will actively carry out Resolution No 306 (draft) of the Political Bureau relative to granting the right of initiative to basic production units, to assisting state-operated and collective economic units in overcoming their problems, and to developing the leading role of the state-operated economic units. In the meantime, it will efficiently and optimally use other economic components while subjecting them to correct reform measures. It will also create favorable conditions for home-based economic activities, individual businesses, and other secondary economic activities to develop in accordance with Decision No 34 of the city and the resolution of the Council of Ministers. The development, exploitation, and use to the fullest extent of all economic components mean the creation of an integrated force that will be instrumental in three great economic programs. In sum, if we carry out positively and successfully the tasks defined by the Fourth Municipal Party Congress in regard

to industry, small industry and handicrafts, agriculture, fisheries, forestry, and science and technology, we will contribute to the implementation of the resolution of the Sixth National Party Congress whose essence is a change in thinking, a change in demeanor, and a change in organization and cadres that aim at successfully carrying out the three economic programs and attaining their objectives: to stabilize the economic and social situation, and to stabilize the people's lives.

On this road to progress, the efforts of the city will exert a decisive impact. However, the support of the central government, of sectors, and of localities will also be very important for the city to fulfill its missions.

In light of the unanimity, unity, and resolve to change of the Sixth National Party Congress, we can be sure that the support and cooperation mentioned above will contribute to meeting our expectations and will create an integrated power for the implementation of the three great economic programs.

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ECONOMIC

VIETNAM

MORE RESOURCES FOR CAPITAL CONSTRUCTION PROJECTS

OW200807 Hanoi VNA in English 0659 GMT 20 Mar 87

[Text] Hanoi, 20 Mar (VNA)--Manpower for capital construction has increased to more than a million building and assembly workers, and more than 10,000 scientists and technicians with a college or post-graduate training.

The material-technical infrastructure has been strengthened, with more than 30,000 vehicles and machines of various kinds and 20 plants in operation.

In 1981-85, investments for capital construction were re-oriented and focused on key targets in the major branches of the national economy: industry, agriculture, transport and communications, and especially on major projects on the national and local level.

Total investments in 1981-85 increased by 18 percent as compared with the period 1976-80. Over the past ten years, the value of fixed assets increased nearly threefold. More than 300 large projects have been completed and commissioned, including three turbine generators of the Pha Lai thermopower plant, the Bim Son and Hoang Thach cement works, and Pha Rung ship repair yard, the Ha Long spinning-mills, the Vinh Phu pulp and paper mill, the La Nga sugar refinery, the Thang Long bridge, the Chuong Duong bridge, the Dau Tieng, Phu Ninh and Ke Go reservoirs.

/12624

CSO: 4200/450

## BUREAUCRACY, POORLY TRAINED MANAGERS IMPEDE EFFICIENCY

Hanoi GIAO DUC LY LUAN in Vietnamese Oct 86 pp 22-26

[Article by Hoang Van Hao, M.S., the Nguyen Ai Quoc Advanced Party School: "Clearly Defining and Properly Combining the Administrative-Economic Management Function and the Production-Business Management Function"]

[Text] In recent years, documents of our party and state have frequently stressed the need to clearly define and properly combine the administrative-economic management function and the production-business management function.(1) This is a lesson drawn from the realities of management in past years and has become a truly pressing need now that we are shifting from the management mechanism based on bureaucratic centralism and state subsidies to economic accounting and socialist business. However, this is a lesson that has yet to be successfully applied. It is one which demands that we analyze and clarify the need to define and combine these two functions and the views and matters of principle related to defining and combining these two functions with the aim of guaranteeing the autonomy of basic economic units in production and business while also guaranteeing unified management by the central state.

To begin with, why is it necessary to clearly define and properly combine the administrative-economic management function and the production-business management function? Although we embarked on socialist construction many years ago, the realities of recent years prove that our understanding of the central task in the current stage of the revolution is incomplete. Organization and management are the primary and central task. As Lenin pointed out following the Russian October Revolution: "Today, management has become the primary and central task."(2) He considered this to be the most important task because the revolutionary administration could not be maintained without knowing how to provide management. From the very outset, however, we have failed to fully understand this. This failure has affected, to a considerable degree, the organization of the state apparatus, the planning of the training of management cadres and efforts to clearly define the management functions of the socialist state.

In the performance of this central task, the socialist state manages every aspect of social life, the most important and basic elements of which are organizing and managing the country's economy. This is the special and

exclusive task of the socialist state because, as the owner of the primary means of production, it must also organize and manage the entire national economy and coordinate all production and business processes. This new function of the state raises objective requirements with regard to organizing its apparatus. Therefore, the apparatus of the socialist state is not only a governing apparatus, it also includes a state administrative management apparatus, administrative-economic management agencies and production-business organizations. And, economic organizations provide both administrative-economic management and production-business management. These are two inseparable factors. It is even more necessary that they not work against each other. In other words, these organizations manage production and business by means of administrative and economic management.

The realities of past years show that we are confusing these two management functions and that this has caused harm in practice. On the one hand, this is because we have not correctly understood the nature of the new style state and because of the influence of the old style state management, a style which emphasizes the use of administrative orders and gives little attention to production efficiency. On the other hand, it is due to the facts that our cadres lack experience in management and lack knowledge of economic laws, of administrative management principles and procedures, of the law and administrative procedures and of their profession. There have also been cases in which localism and departmentalism have led to the excessive use of administrative orders to deeply intervene in the production and business process of basic units. Meanwhile, principles and policies are not realistic and lack dynamism and basic production units have had to "tear down fences." As a result, production has not only failed to develop, but has also been impeded by old ways of thinking and outmoded policies which, at the same time, have given rise to disorganization, anarchy and contempt for the law and administrative management principles.

Thus, we cannot use administrative orders and the law to intervene too deeply in production and business. However, we also cannot disregard the administrative management principles and the laws of the state. In practice, the state continues to use administrative orders and the law to establish social rules and policy. Such administrative management is necessary. Of importance is the need for us to firmly adhere to objective laws, especially the economic laws that exert an impact during each period in order to formulate economic policies, economic laws and management decisions that are consistent with the actual situation and stimulate the development of production without the need for administrative management. Conversely, our state itself is currently weak in administrative-economic management, particularly when it comes to concretizing the lines and positions of the party in policies and laws. Therefore, the problem lies in clearly defining the specifics of each of these management functions. As pointed out in Political Bureau Resolution Number 306: "As regards the organization and management of the state, we must clearly define and properly combine the state administrative-economic management function and the production-business management function on each level and at each unit."

Defining and combining the two management functions mentioned above are a complex matter, one which requires a process of deeply researching practice.

However, of utmost importance is the need to clarify the basic views concerning this matter.

To begin with, what does the administrative-economic management function entail? In many current documents of our state, this function is generally associated with the following factors:

--Formulating planning and plans, establishing the socio-economic and scientific-technological strategies of the sector and establishing guidelines and tasks, major balances and key programs.

--Formulating economic, financial and scientific-technical policies.

--Establishing the system of economic-technical quotas and basic measures.

--Formulating plans for the training and utilization of cadres.

--Inspecting compliance with policies and the law...

Actually, the above mentioned factors are only very general guidelines. The important need here is to define the specifics of the two management functions of the state within each sector, on each level and at each basic unit. This is a matter of very important management significance and is an urgent demand of the situation today. Here, it is necessary to gain a thorough understanding of specific views and deeply study practice at each type agency in order to concretize the specifics of the administrative-economic management function in a manner consistent with the specific conditions of each level, each sector and each basic unit. For example, even on the ministerial level, the specifics of the administrative-economic management function differ from one ministry to the next. The specifics of this function are different at the ministries than at such agencies as the Planning Commission, the Statistics General Department, the Ministry of Finance and the Bank, different at the National Bank than at specialized banks... It was only recently that we adopted general guidelines. Practice, however, demands specific regulations suited to each level, each sector and each basic unit. This is the issue of "organizing anew the most fundamental bases" of the economic life of society. To accomplish this, we must base our efforts on the specifics involved in the economic activities of each sector and level and, at the same time, fully meet the requirements of centralized and unified management by the state in order to gradually establish a specific relationship between the two functions that is compatible with each type management agency. This is a detailed organizational process which not only demands that management cadres understand policies, principles and the law, but also demands that organizational, policy and legal work delve deeply into specific economic processes. Only on this basis can we define and combine the two management functions on each level, within each sector and at each basic unit.

Secondly, as regards methodology, in the work of revamping the management apparatus in recent years, we have proceeded from the economy to organization, from the structure of the economy to the structure of the organization and have patterned our management after the type of organization. This is an accurate guideline. But what we must be more concerned with is that in the

process of building and improving the state apparatus, special attention must be given to proceeding from the basic level, from building the state apparatus on the local level, because the economic management function of our state is steadily growing in scope. Our state apparatus, which was established following the August Revolution, was at first designed mainly to meet the requirements of state administrative management. Gradually, it was improved in keeping with the requirements of economic management. However, in this process, due to many different reasons, particularly the fact that the state apparatus has operated for many years under the management mechanism based on bureaucratic centralism and state subsidies, this apparatus has grown to consist of many very cumbersome and ineffective echelons and levels.

The efforts now being made to revamp the economic management mechanism urgently demand that we also revamp the organization of the state apparatus. But how is this to be done? We cannot simply disband one component or another or separate or merge certain agencies in a form for form's sake manner not based on economic necessity. The issue of revamping the organization of the state apparatus must be raised on a broader scope on the basis of new thinking, that is, if, from the standpoint of management, we are shifting to economic accounting and socialist business, we therefore must, from the standpoint of organization, calculate the efficiency of the management apparatus. This requirement must be established for all agencies of the state. To bring about such a thorough and basic improvement of the organization of the state apparatus, we must begin on the basic level, on the local level and research the economic development requirements of each locality and basic unit in order to make appropriate adjustments to the state management apparatus and insure that it operates effectively. According to Lenin, in the process of economic development, especially when commodity trade relations develop, improving the organization of the apparatus on the local and basic levels is a matter of utmost importance. He wrote:

"The exemplary organization of work, even if only within the scope of a general department, is still of greater value to the state than improving the central apparatus of one ministry or another along 'exemplary' lines." (3)

Thirdly, once the specifics of the administrative-economic management function and the production-business management function have been correctly defined within each sector, on each level and at each basic unit, this relationship must gradually be regulated, that is, the rights and obligations of all parties, of the upper and lower levels must be defined. In practice today, there truly are cases in which it is necessary to "climb over fences" or "tear down fences." However, there are also cases in which there are no "fences" to "tear down" due to the lack of necessary specific regulations. Therefore, in conjunction with the process of revamping the economic management mechanism, organizational and legal work must keep abreast of the requirements of economic development and assist localities and basic units in establishing legally binding regulations that express the basic relationship between the administrative-economic management function and the production-business management function on each level, within each sector and at each basic unit. These regulations must fully implement the principle of democratic centralism and become principles of the socialist system of law. Without establishing these types of specific regulations on each level, within each sector and at

each basic unit, it is difficult to avoid confusing these two functions. In practice, this will surely lead to one of two extremes: administrative-economic management that intervenes too deeply in production and business or violations of administrative management principles and the law.

This is, of course, a very complicated matter. As result of changes in production and business, particularly when conditions are unstable as they are today, regulations cannot be considered to be in their final form when first adopted, cannot be considered "immutable." Therefore, the productivity, quality and efficiency of production and work must be the standards for promptly revising and amending regulations with the aims of guaranteeing that basic production and business units can display initiative and creativity and rescinding outmoded regulations that impede the development of production.

Fourthly, who are the persons that are best able to know the difference between and properly combine the administrative-economic management function and the production-business management function? They are the management cadres on each level, within each sector and at each basic unit. Because, although we might want to clearly define the specifics of these two management functions, in practice, it is usually very difficult to define them fully because the realities of production and business are constantly changing. Therefore, the diverse realities of management demand that the management cadre apply his intelligence on the basis of understanding and properly combining these two functions. If, for example, a basic unit clearly defines these two functions and establishes all the necessary regulations governing them but its managers lack knowledge and a sense of responsibility, these two functions are not, in practical terms, being properly combined. Thus, this matter depends, to a large degree, upon the corps of management cadres and demands that managers possess many important assets: broad knowledge of administrative-economic management and production-business management, the ability to combine the various interests in a way that is well balanced, initiative, creativity and the spirit of responsibility, the personal qualities of the communist...

In our country today, one fact must be recognized: some members of the corps of management cadres are posing obstacles to the effort to combine the two functions mentioned above. This is the result of their not being trained under uniform standards, a result of poor personal qualities and, in particular, a result of lacking job skills, in both administrative-economic management and production-business management. We know that, during the early years of the Soviet administration, Lenin attached special importance to training management cadres, considering "knowing how to manage" and "being skilled in management" to be a truly pressing requirement, without which it would be impossible to advance the revolution. He wrote:

"We have sufficient, quite sufficient, political power; we also have sufficient economic resources at our command, but the vanguard of the working class which has been brought to the forefront to directly manage...to subordinate and not be subordinated itself, lacks sufficient ability. All that is needed here is ability, and that is what we do not have."(4)

In recent years, we have made many efforts to train management cadres. To date, however, we have not met needs in terms of the number or the quality of the cadres trained. For the most part, training programs go no further than general theory. Even village and subward level cadres study little by way of specific management knowledge. The training of management cadres has not been closely linked to each level and sector, to management cadre job titles and has little effect in improving practical organizational skills. Therefore, examined from a basic and long-range perspective, clearly defining and properly combining the two management functions mentioned above demand that we plan the systematic training of a corps of management cadres who are able to manage production and business, understand administrative management principles and policies and understand administrative law and procedures. And, the day to day realities of clearly defining and properly combining these two management functions also provide an important environment for cultivating specific knowledge and providing practical experience to the management cadres of each sector, level and basic unit.

#### FOOTNOTES

1. "Nghị quyết Hội nghị trung ương lần thứ 6,"[Resolution of the 6th Party Plenum], p 7 and "Nghị quyết 306 của Bộ Chính trị,"[Political Bureau Resolution 306], p 7.
2. V.I. Lenin: "Collected Works," Volume 36, Progress Publishers, Moscow, 1977, p 209.
3. V.I. Lenin: "Collected Works," Volume 43, Progress Publishers, Moscow, 1978, p 281.
4. V.I. Lenin: "Collected Works, Volume 45, Progress Publishers, Moscow, 1978, p 102.

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CSO: 4209/336

## IMPORTANCE OF AGRICULTURE STRESSED

Hanoi NONG NGHIEP in Vietnamese 5 Dec 86 p 2

[Editorial: "Agriculture and Countryside: the Front Lines"]

[Text] During the last 5 years, the production of food has risen from 14.4 million tons (1981) to 18.4 million tons (1985). The wheat crop increased from 22.2 piculs per ha (1981) to 28.6 piculs (1985); Comparing 1985 to 1976, the water buffalo herds grew by 20 percent, the cattle by 60 percent, the pigs by 45 percent, and domestic fowls by 16 percent.

In 5 years, the population increased by 6 million people, but the average annual per-capital production of a number of farms still grew: the production of food rose from 268 kg to 304 kg, port production from 8.3 to 12.5 kg, fish production from 10.3 to 13.5 kg, and molasses production from 3.2 to 7.2 kg.

The draft of the political report at the Sixth National Congress raised the issue of a general endeavor in the future to stabilize all economic and social situations and to create revenues to push socialist industrialization. In the production structure of the economy, we need to concentrate on developing and promoting agriculture (including the forestry, fishing, and processing industries), making agriculture into a real front line.

This notion of "development" encompasses both agricultural production and the building up of the countryside. In the 1986-90 agricultural production plan, with a population increase down to under 1.7 percent per annum, average annual per-capita food production could potentially rise to 320-330 kg. As for the building up of rural areas, by the year 1990, the set goal is to strengthen and improve the quality of socialist production in the countryside, to improve the material and cultural lives of agricultural laborers, and to develop the family-based economy, organize the population, create jobs for youths entering the labor market, develop educational, cultural, and social programs, etc.

When comparing the production goals for food, raw materials for industry, and forestry products for export with the material and technical base needs, we still observe many shortages. We need to work hard to supply our country adequately and to boost exports in order to import more chemicals, energy, machines, etc. Therefore, aside from giving priority to supplying capital, energy, and equipment to agriculture, all related sectors need to pool their

strengths to serve agriculture, and all localities should make use of all their resources to boost exports in order to import more of the needed materials. As for policies and methods, we need to improve investment practices, prices, two-way contracts, and the relationship between government and workers. In the management field, we need to strengthen and perfect the management styles of the agricultural production cooperatives and collectives, to perfect the product contract mechanism, and to guarantee the right of organizations to produce.

The hidden power of our land in general and the potential of our agriculture in particular is not small. The land, the workers, and other agricultural resources are fairly plentiful. The material and technical base has not been thoroughly utilized. We believe the party's Sixth Congress will guide us to change our thinking and methods, to change the direction of the agricultural structure, to reform agricultural management practices in order to liberate the production capability we now possess, to exploit and thoroughly utilize all the land's hidden potential, and to develop the production force. In agriculture, we must closely associate production strength with the drive for socialist reform, with appropriate form and action, so that the production relationships are in accord with the essence and capacity of the production force, we should always encourage and push the production force to develop.

As for the rebuilding of the countryside, we believe that with the exploitation and thorough utilization of all abilities so that every worker in the countryside will have jobs, and thereby contribute to the production of many goods for society, we will have enough conditions to implement each step of the basic socialist economic statutes: to satisfy the daily growing material and cultural needs of the workers.

Our present mission is to find positive and practical solutions from past experiences, successes, or failures, in order to overcome the difficulties and overcome weaknesses in the spirit of a steadfast continuation of reform, with synchronized, positive, and firm steps that are aimed at eradicating bureaucratic centralism and at switching economic actions toward socialist economic accountability.

For the past decades, NONG NGHIEP, with the Ministry of Agriculture, has contributed its small share toward the task of developing agricultural production and building a new countryside. The party's policies on agriculture and the countryside, the latest discoveries, the people's experiences and innovations, the achievements in science and technology, and the management reforms have all been introduced to the rural workers by this newspaper.

We hail the party's Sixth National Congress. We at the newspaper respectfully present the congress with the contributing ideas of a number of our long-time staffers. We wish the congress spectacular achievements.

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CSO: 4209/261

## VNA CARRIES PROVINCIAL AGRICULTURAL NEWS BRIEFS

OW260823 Hanoi VNA in English 0659 GMT 26 Mar 87

[Text] Hanoi, 26 Mar (VNA)--In the 1986-87 winter-spring crop, the country put 521,470 hectares under subsidiary food crops with a total output of 919,000 tons, representing an increase of 9 percent in acreage and 15.2 percent in output over 1985.

- Rearing shrimp in brackish water is developing in Vietnam's coastal areas, by 1990 brackish water surface for shrimp rearing is expected to expand to 220,000 ha with an estimated annual yield of 35,000 tons. The catch of green-clawed prawns is expected to increase from 6,400 to 12,000 tons and that of lobsters from 300 to 1,000 tons.
- The cattle stock of the northern border province of Cao Bang now counts 200,000 head, up by 4 percent over last year.
- By mid-March, Ha Nam Ninh province had exported 3,200 tons of potato, 23 percent more than planned and doubling the 1986 figure.
- The central Vietnam province of Nghe Tinh has expanded its areas under groundnut, tea and tobacco to 2,000 ha, 20,000 ha and 6,000 ha respectively.
- This year 25,000 people in Binh Tri Thien province (central Vietnam) are expected to settle in new economic zones, up by 2 percent over the figure for last year.
- Seventy percent of the farm produce in Tay Ninh province, northwest of Ho Chi Minh city, comes from the household economy. The local people are raising one million poultry, 65,000 pigs, and 100,000 cows and buffaloes.
- "Lat Hoa" (*chukraisa tabularis*), a prized furniture wood, which has so far grown widely in forests, has been of late planted along the coast and in low-lying areas of the central Vietnam province of Thanh Hoa. Furniture made of this wood is a main export line of Thanh Hoa.

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## USE OF S&amp;T AS AID TO ECONOMIC, SOCIAL DEVELOPMENT URGED

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

[Editorial: "Bring Science and Technology to Production"]

[Text] The political report of the Sixth National Party Congress considers the development of science and technology one of the important measures for the translation of the leading thoughts of the plan into action and for the implementation of the economic and social policies put forth by the congress: "To use to the fullest extent all production capabilities on hand, to exploit the potential of the country, and to use international aid to speed up the development process of production." The political report emphasized: "The World is rapidly moving into a new phase of the scientific and technological revolution, and looking through the realities of our country, we can see more clearly the pressing need to turn science and technology into a powerful force to speed up the economic and social development process of our country."

Reading through discussion papers at the recent Sixth National Party Congress, Comrade Vo Tran Chi, secretary of the municipal party committee, went even further in placing this concept in the context of a city which possesses great strength in science and technology: "The city will not limit itself in linking science and technology with production. It will introduce science and technology into production units in order that science and technology become a direct production force, generating tangible results."

Looking back at the recent past, although suffering certain limitations due to various causes, science and technology have contributed significantly to increasing productivity, raising output, and improving the quality of industrial, small industry and handicraft, agricultural, forestry, and fishery products of the city. In addition to their effect on production, science and technology even produced a direct impact on the lives of the working people, such as the project to store drinking water for the dry season in Duyen Hai District and some other projects. Science and technology also contributed actively to production and to people's lives in neighboring provinces and in the application of scientific and technological progress in programs and research themes provided by the central government. Social science and management science also made worthwhile contributions in economic, social, administrative, and labor activities.

However, as the Fourth Municipal Party Congress put it, we have not, as yet, thoroughly realized the importance of science and technology and we lacked adequate measures to develop their strengths fully and to turn them into a motivating force for production and into actual production forces.

In order that science and technology, including social and management sciences, be a realistic force for revolutionary change, motivate industrial, agricultural, forestry, and fishery production, and efficiently support the three great economic programs, we need a more rational policy for the use of existing scientific and technological cadres and physical infrastructures which have been squandered. In a brainstorming session with the municipal party congress, many intellectuals versed in science, technology, and social science contributed many worthwhile ideas for the optimal use of everybody's initiative in economic and social development, in building a new management structure, and in supporting production and livelihood. Party congresses of various levels in the city and the Sixth National Party Congress appreciated the intellectuals' precious contributions, drew on the essence of their ideas, and included them in party resolutions. The Fourth Municipal Party Congress stressed that "we need adequate policies pertaining to the retribution system, to work conditions, and to other necessary matters in order to develop to the fullest extent the multifold potential of the socialist intelligentsia in the city."

We can be sure that the municipal party congress will do what it said. The committee and related agencies will carry out the policies defined in the resolution of the Fourth Municipal Party Congress aiming at "not only making science and technology closely related to production, but also at integrally bringing science and technology into production units and harnessing and transforming them into direct production forces," as Comrade Vo Tran Chi suggested at the Sixth National Party Congress. On the other hand, we can be sure that scientists and other intellectuals of Ho Chi Minh City will diligently work together with the intellectuals in the whole country to initiate worthwhile projects in support of the current change. Their contribution will positively and efficiently impact production and assist the successful implementation of the three great economic programs which aim at attaining the immediate objective of "stabilizing the economic and social situation, stabilizing the people's lives," and laying a solid foundation for the country's irreversible march toward socialism.

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## BRIEFS

SAIGON HARBOR CARGO HANDLING--Hanoi, 25 Mar (VNA)--The Saigon harbor up to Mar 20 had unloaded 513,000 tons of cargo, topping its first quarterly plan by 4.7 percent and ten days ahead of schedule. Eighty percent of the 166 liberated ships have been unloaded ahead of schedule. The harbor plans to unload 570,000 tons in the first quarter of this year, 100,000 tons more than the same period last year, the record figure in the past years.

[Text] [Hanoi VNA English 0712 GMT 25 Mar 87 OW] /12624

CSO: 4200/450

'NEW, IMPROVED PROGRAM' ON STATE, LAW

Hanoi GIAO DUC LY LUAN in Vietnamese Oct 86 pp 43-45

[Article by Pham Ngoc Uyen: "Thoughts Concerning the Methodology Employed in Developing the Specialized Program 'the State and the Law'"]

[Text] The program "The State and the Law" was introduced at party schools a few years ago. The state management departments and sections of many schools, having gained experience implementing the draft program, are now developing a new and improved program. I would like to contribute some thoughts concerning the methodology employed in developing this program.

#### 1. The Training Objective--the Factor Determining the Program

To provide scientific leadership in accordance with the law, our party has formulated the socio-economic strategy for the initial stage of the period of transition in our country. This strategy, in order to become reality, demands leadership and management cadres who possess certain qualities and skills and meet certain standards. Training such cadres is the objective of the basic training classes and systems at party schools. While attending school, students are under the impact of two primary factors: the program and subject matter and the methods of teaching and learning.

Students, the subject matter taught at schools, the methods of teaching and learning...are the causes of the end result--the quality of the students graduating from schools. Here, a cause and effect relationship exists: we cannot sit and wait but must take the initiative in creating the desired result. This is the difference, as Marx observed, between the engineer and the bee.

Above everything else, the clearer our concept of this end result is, the greater is the extent to which it will play a role in the selection of students and the development of the program of instruction: a subject or lesson is added or deleted and the methods of teaching and learning employed are those that are ultimately most optimum, modern and universal.

The training objective not only determines who makes up the student population, determines the program, the methods employed, the teaching and learning aids used and so forth, but also determines who it is that applies

the program and uses these means, that is, determines who the teachers are. Excellent students are only trained by excellent teachers.

## 2. The Program "The State and the Law" Must Be Compatible with the Students to Whom It Is Being Taught

To accomplish this, we must research the thinking, psychology, awareness...of the student from the perspective of the program "The State and the Law." This will provide us with the objective basis needed to correctly determine subject matter and the methods of teaching. For example, in the resistance against the United States, some of our students were prepared to give their lives to defend the resistance. However, in the socialist revolution, these very same heroes have written letters to prison wardens requesting the release of their child or grandchild. Thus, the same cadre who shed blood for the success of the cause is now helping to undermine it. In one respect, the working class character of these comrades is far worse than the bourgeois character of King Peter I when he ordered the execution of his son for treason.

Today, there are many cadres who perform their work by the following rule: relatives first, friends second, the administration third and the law fourth. Relatives and acquaintances come first. Most important to them are family relations, relations within the village and locality, friends... Policies and the law, that is, reason and that which is right, come last.

Only with a scientific, objective and detailed (through statistics so that percentages are known) understanding of the thinking, psychology and so forth of the student is it possible to make a profound impact upon the student.

The program "The State and the Law" is a relatively new program. It is, therefore, even more important to know the students participating in it. Otherwise, instruction in this program will amount to nothing more than the application of a thin, external veneer. Only by transforming and erasing old and backward concepts and thinking and waging a struggle on the plane of ideological views is it possible for new, revolutionary concepts and thinking to take root and become forces that inspire persons to act.

## 3. The Program "The State and the Law" Must Relate to Vietnam and Reflect Development in Stages

To compile this program for classes, we examined this program as it is taught at the party schools of the fraternal countries. This was necessary. However, we must always remember that we are instructing Vietnamese. Science, even the social sciences, are universal and international in nature. However, the persons who use science are the persons of a specific nation, a specific country. Therefore, the program should be consistent with the traditions and needs of the Vietnamese. For example, it should include a formal or supplementary lesson in the history of Vietnamese legal thinking, dating back to our first written legal code, which emerged quite early compared to the rest of the world--the 1483 Hong Duc Code--through the legal thinking compiled by Phan Huy Chu and Ly Quy Don to the constitutions since 1946.

The Vietnamese character of the program is also evident in the fact that the program reflects development in stages. Examining the latest programs being taught in this subject in the world--the source of modern information--is very necessary so that we, who are behind in this subject, do not remain as far behind. However, these programs elsewhere generally deal only with developed socialist society. Our country, however, is only in the initial stage of the period of transition to socialism. Therefore, when new subjects arise, we must examine the old programs with which they began. Because, the situation in the fraternal countries back then might have raised socio-legal questions roughly similar to those in our country today, particularly in those countries with socio-economic conditions nearly similar to those of Vietnamese society.

In other words, the current program "The State and the Law" being taught at party schools must be a program of study that is compatible with the initial stage of the period of transition in a country that is bypassing capitalism, not a program for any stage of history.

Experience has shown that this approach is also the approach that must be taken with many other programs at party schools, such as Marxist-Leninist political-economics, scientific communism and so forth. Programs must provide answers in the form of basic theory to the questions faced in socio-economic construction in our country on entering the period of transition.

The program "The State and the Law" must be closely related to the realities of present day Vietnamese society and support social management but not be pragmatic. It must respond to the demands of life, of revolutionary work and help to meet the requirements of life, of leadership. It must teach the most basic principles of economic law and socialist social law with the ultimate aim of helping to establish the new mode of production, the communist mode of production, in Vietnam.

#### 4. The Program Must Be Basic in Nature

The facts that this program must be compatible with the students to whom it is taught, be Vietnamese and reflect development in stages do not preclude but demand that it also be basic and scientific.

The program "The State and the Law" should not be a collection of knowledge designed only to meet needs at each point in time. Rather, it must truly present the subject as a social science. As a science, it has an object of research, a system of categories, laws, special research methods...

Only by presenting the subject in this manner is it possible to show the student that society cannot be managed either in accordance with the law or not in accordance with the law as one sees fit, that a party organization cannot disregard party statutes and the laws of the state in its activities. Rather, these are things which objective social conditions compel us to do.

Our society has not experienced developed capitalism. Consequently, it is not accustomed to living in accordance with the law and many persons still feel that living in accordance with the law is restrictive and equates to a lack of freedom and democracy. There are even some places and persons that openly

defy principles and the law. Therefore, one requirement of the program "The State and the Law" is that it convinces students, on the planes of both reason and sentiment, that living in accordance with socialist law is genuine freedom, is the highest form of democracy, is true civilization.

The program "The State and the Law" cannot consist only of a number of articles introducing matters concerning socialist law. The program must be basic and systematic, that is, must follow a strict logical progression. If only a short amount of time can be devoted to the program, whole portions of the system must be studied. Only a basic program can help to generate confidence in the law in each field of knowledge.

Only a basic program can help to cultivate legal thinking, cultivate the legal culture so that cadres grasp the spirit of and implement the Constitution and current specific laws well.

The program "The State and the Law" should include lessons in the history of the development of legal thinking, lessons which show that living in accordance with customs (as in pre-capitalist society) is backward and stagnant compared to living in accordance with law (capitalist society), which is more civilized. Living in accordance with socialist law is living in the style associated with large-scale industry, living in accordance with science, with the highest principles. In socialist society, for the first time in history, persons conduct themselves and interact with others on the basis of scientific relations, that is, on the basis of the highest form of real humanism.

As is the case with the other programs taught at party schools, the program "The State and the Law" should not only present principles of theory, but must also present and criticize opposite points of view. We must wage a struggle in the field of viewpoints, must go into battle, with reason as our weapon, against living and working with disregard for the law and internal regulations. Right and wrong, lawful and unlawful must be correctly distinguished on the basis of science. The ideological struggle in the world and within our society has become so intense that when we remain quiet and evade issues, the enemy moves in and negative phenomena erupt and become rampant. The correct attitude is to take the initiative and attack in order to shed light on the truth and differentiate between right and wrong.

In summary, the program "The State and the Law" is determined by the training objective, must be compatible with the persons being instructed under it (with their awareness, thinking, psychology and so forth) and must reflect the specific historical realities of Vietnam at this point in time. This program must be basic, scientific and systematic.

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## BRIEFS

WRITERS' AWARDS CEREMONY HELD--Hanoi, 19 Mar (VNA)--The secretariat of the Vietnam Writers' Association held a literary prize awarding ceremony here recently for the works on war and revolution published in 1985. The poem "A Woman in Knitting" by the poetess Y Nhi is the only prize for poetry. On prose works, "Memoirs" by the late writer Dang Thai Mai, and "white land", a two-part novel by Nguyen Trong Oanh (the army publishing house), won a-class prizes; and "The season of Leaves Shedding" by Ma Van Khang, and "Wind From a Sandy Area" by Xuan Thieu took b-class prizes. [Text]  
[Hanoi VNA in English 0712 GMT 19 Mar 87 OW] /12624

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