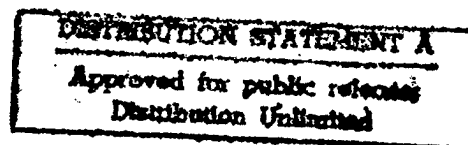


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12 September 1985

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INTER-ASIAN AFFAIRS

DEGA-FULRO DESERTERS DESCRIBE CAMBODIAN RESISTANCE ROLE

Bangkok DAO SIAM in Thai 5 Jul 85 pp 1, 2

[Article: "Major Who Fled the Vietnamese Arrested In Thailand"]

[Excerpt] A reporter stationed in Ubon Ratchathani Province reported that at 1000 hours on 4 July, Police Col Niyom Krailat, the superintendent of Ubon Ratchathani Province, together with Police Lt Col Suthat Chaemprasit, the chief inspector at the provincial police station in Warin Chamrap District, and Police Lt Col Somchai Thetprasoet, the chief inspector at the provincial police station in Muang District, picked up three men who had entered the country without permission. They claimed that they were foreign soldiers. Reporters were told:

On 4 June, railroad police officials assigned to Section 2, Precinct 3, Ubon Ratchathani Province, saw three men who looked like foreigners board the train from Ubon to Bangkok. When the train reached the Sikhorphum station, the police arrested them and took them for questioning.

They were identified as Mr Lemu Hakhun, age 32, who claimed to be a major in the Dega national liberation forces and who said that he could speak five languages, Mr Ibom Mia, age 29, who claimed to be a captain, and Mr Iboeng Eban, age 25, who claimed to be a sergeant.

During the interrogation, Mr Lemu Hakhun said that Dega is located between Cambodia and Vietnam. In 1975, it had a population of approximately 3.5 million people, who lived in 14 provinces. The president was Mr Ibrahim Eyawanla. The country was a democracy. The people made their living by growing rice, rubber trees, bananas and coffee. The country had many valuable resources such as aluminum, gold, copper and brass.

After 1975, when South Vietnam fell, North Vietnam occupied Dega and swallowed the country. It turned the administrative system into a communist system. Some of the people fled and formed forces in order to liberate their country. Then, Cambodia fell and fighting broke out. Forces were sent to help the Cambodians liberate their country. At present, there are 10,000 Dega forces fighting alongside the Cambodians. They are stationed along the Thai border.

The reporters asked about the Cambodian forces. Mr Iboeng and Mr Lemu said that there are approximately 160,000 soldiers. They are positioned all along the Thai border with Laos and Cambodia. They have 50 PT-54 Tanks and 60 175mm guns. They once led 200 men in an attack on Vietnamese forces who had established a base near the border [opposite] Surin Province. But they were repulsed by the Vietnamese several times. This occurred in April. At present, the Vietnamese forces are on full alert. They once intercepted a radio message from Hanoi saying that in the coming dry season, forces will be sent into Thailand to obtain food. They said that they had deserted because they were tired of the fighting. The three men had only 200 baht. They did not have any definite destination in mind when they were arrested. Later on, Police Col Niyom Krailat turned the three men over to Police Lt Col Suthat Chaemprasit, the chief inspector at the provincial police station in Warin Chamrap District, for further handling of the case.

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CSO: 4207/269

INTER-ASIAN AFFAIRS

LAOS REPATRIATES FISHERMEN, THAIS STILL HELD

Bangkok BAN MUANG in Thai 29 Jun 85 pp 1, 2

[Article: "Laos Releases Thais Accused of Being Spies"]

[Text] At 1020 hours on 28 June, Mr Kriangkrai Surikhaka, the second secretary, and Mr Pranot Thongphanchang, the secretary at the Thai embassy in Vientiane, led a group of 12 Thais, 10 men and 2 women, from the Tha Du Club on the Lao side to Tha Set in Muang District, Nong Khai Province, and turned them over to Police Lt Col Natthanat Butyakanit, the head of the immigration checkpoint.

The 12 Thais had been detained by Lao officials at the jail in Sam Khe. Officials checked their identity cards or had relatives come and identify them. During the initial questioning, the 12 were identified as: Mr Charun Kunsen, age 26, was arrested on 21 February 1979 while fishing in the Mekong River. Mr Prathom Sichomphu, age 21, who lives in Pak Chom District, Nong Khai Province, was arrested on 25 February 1985 while fishing. Mr Khamhom Aphon, age 17, who lives in Pak Chom District, Nong Khai Province, was arrested on 25 February 1985 while fishing. Mr Prasong Mawaphan, age 21, was arrested on 25 February 1985, too. Mr Samai Duangchamnam, age 21, who lives in Ban Phu District, Udon Thani Province, was arrested on 21 March 1980 while trading on the Lao side. Mr Thongyot Sibunruang, age 37, who lives in Nam Phong District, Khon Kaen Province, was arrested on 24 February 1980 while conducting business on the Lao side. Mr Daen Thong, age 25, who lives in Muang District, Nong Khai Province, was arrested while fishing. He doesn't remember the exact date of his arrest but said that he had been in jail for 5 years and 8 months. Mr Suwan Chaiphiban, age 53, who lives in Phonphisai District, Nong Khai Province, was arrested on 25 November 1984 while fishing. Mr Han Patchachom, age 37, who lives in Phonphisai District, Nong Khai Province, was arrested while fishing. Mr Kongphaeng Phromwiset, age 53, who lives in Phonphisai District, Nong Khai Province, was arrested on 25 March 1983 while fishing. Miss Wiang Unaphrom, age 17, who lives in Pak Khap Branch District, Nong Khai Province, and her sister, Mrs Mai Sichomphu, age 30, were arrested on 25 April 1985 while crossing into Laos to visit relatives.

Mr Charun told reporters that there are still more than 20 other Thais still in jail at the Sam Khe Prison. Among these is Mr Narong, surname unknown, who lives in Chachoengsao Province. He had been granted a concession to carry on timber operations in Laos in 1977. He is still in prison there. Laos is demanding money and tractors worth 40 million baht for his release.

A news report stated that the Thais were arrested because of the border demarcation problems along the Mekong River. No one knows where the border is for sure. When Lao officials arrest a male Thai, they usually charge him with being a spy. Lao officials informed Mr Somphong Faichampa, the Thai ambassador to Laos, about the release of these Thais in advance. Laos sent two officials to escort the Thais.

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CSO: 4207/269

AUSTRALIA

BUSINESS BODY DEFICIT ADVICE 'POLITICALLY CONTROVERSIAL'

Sydney THE AUSTRALIAN in English 1 Jul 85 p 10

[Editorial: "Business Advice"]

[Text] No group should be more anxious or better qualified than the Business Council of Australia to make suggestions as to how government spending should be reduced. It could be expected that such eminent economists as Professor John Hewson, Mr John Stone and Dr Neville Norman would be admirably suited to advise it on the submissions it might make.

Nonetheless, the proposals made public last week by this distinguished trio are not what one might anticipate from the business-oriented group on whose behalf they apparently seek to speak. Unlike the Grace Commission in the United States, they have not concentrated on waste which is the product of inefficiency or feather-bedding. The three Australian economists seem to have devoted much of their attention to politically controversial programs rather than to those areas where the application of business competence would be of advantage.

Their proposal, such as our withdrawal from UNESCO, the cutting of aid to Papua New Guinea and the use of commercial sponsorship by the ABC, would no doubt have a speedy effect on the budget deficit. But each of these activities involves questions of political principle. The present policies may or may not be wise, but they are not examples of the faulty accounting procedures exposed by the Grace Commission. Other suggestions offered by Professor Hewson and his colleagues include such matters as the issuing of identity cards as a means of reducing tax evasion and the introduction of tertiary education fees, which have already been publicly canvassed by the Federal Government.

The Business Council is no less, but no more, competent than any other group of citizens to express its view on questions of political doctrine. But if it endorsed the proposals of the three economists, it would confuse its role as a critic of government waste with its advocacy of political principles. If these two legitimate functions are not kept separate, it could lose the opportunity to give non-partisan advice to a government which would not accept its opinions on broader issues of social policy and foreign affairs.

CSO: 4200/1395

AUSTRALIA

FOREIGN BORROWING FORECAST TO GROW

Sydney THE SYDNEY MORNING HERALD in English 2 Jul 85 p 19

[Article by Peter Freeman]

[Text]

Total semi and local government offshore borrowing is set to increase by almost 9 per cent in 1985-86, despite Australia's already high level of offshore indebtedness, according to investment bank Dominguez Barry Samuel Montagu.

Writing in its latest *Market Comment*, DBSM's economist Ray Block estimates such borrowing will rise to \$2.6 billion this financial year compared with \$2.4 billion in 1984-85.

While stressing the forecast is subject to later revision, he says the borrowing sits oddly with the growing realisation that Australia's high level of overseas debt is beginning to penalise the Australian dollar heavily.

"This in turn can only force a vicious circle, with still higher borrowings and greater debt servicing payments," Mr Block says.

The biggest increase in offshore borrowing, he adds, is likely to come as a result of additional raisings by three Federal Government authorities - Qantas, Aussat and Telecom. This would push offshore raising by Federal author-

ities from an estimated \$383 million in 1984-85 to \$748 million in the current year.

Total offshore raising by State and local government authorities in 1985-86 is likely to be \$1.85 billion, including \$325 million in refinancing maturing overseas debt.

This is only slightly lower than the \$2 billion raised in 1984-85. On current estimates NSW will make by far the biggest cut, reducing offshore borrowing from \$740 million last financial year to \$400 million in 1985-86.

CSO: 4200/1395

AUSTRALIA

EDITORIAL DETAILS FARMERS' GRIEVANCES

Sydney THE AUSTRALIAN in English 1 Jul 85 p 10

[Editorial: "We Should Listen to Our Farmers"]

[Text] Today the tax "summit" opens in the House of Representatives to the accompaniment of a cry of anguish from one of the most valuable but most neglected sections of our society--the farmers.

The voice of the Australian primary producers will be clearly heard in Canberra this week, not as a result of the Federal Government's having invited them to send a large number of representatives to the official gathering, but because of the strength of feeling among the rural population that its problems should be made known to a nation whose consciousness seldom seems to venture beyond the outskirts of the capital cities.

Of the 158 delegates to the tax summit only four will be from the National Farmers Federation. However, it can be safely predicted that on the lawns outside Parliament House there will be tens of thousands of farmers and their families and of other country people whose livelihoods depend on primary industry.

One week ago some 40,000 farmers and their supporters marched through Melbourne in one of the largest public demonstrations to have been held since the Vietnam war. It followed similar marches in Perth and Adelaide.

These extraordinary manifestations have been organised by country people who are not prone to demonstrate in this way. They are striking evidence that our farming community believes that its political representation is now so weak that it has no other means of making its voice heard.

Although they comprise only 7 percent of the population, our farmers produce commodities which bring in \$11 billion a year, or some 40 percent of the total value of Australia's exports. However, while the average Australian income earner receives \$17,700 annually, the average unit of farm family labour has a yearly income of only \$6,600, or 40 percent of the average income; and there has been no increase in the average farmer's income during the past 10 years.

The number of persons directly employed in farming is fewer than 400,000, but these people are responsible for generating a further 600,000 jobs. Yet so little consideration is given to them by governments that, while the national inflation rate as of last March was 44 percent, the rate of inflation in the farming sector was 6 percent.

There can be little doubt that the relative disadvantages suffered by farmers can be at least partly explained by taking into account that, even after allowing for various rural subsidies, there is an average annual cost to each farm of \$6900 resulting from taxes, excise, government charges and government protection for manufacturing industry.

Some of the most grievous burdens on the Australian farmer fall within the ambit of the matters to be dealt with by the tax summit. It is therefore entirely appropriate that country people should take advantage of this week's meetings to give vent to their frustrations and to seek to influence the delegates, particularly those representing the Federal Government. But the difficulties faced by the farming community are so fundamental and so pervasive that changes in the tax law will go only part of the way towards bringing justice to the farmers.

The basic weakness afflicting the country people is their lack of political strength in comparison with their economic worth to the nation. Rural representation in the Federal and State parliaments has steadily declined throughout this century as urbanisation has increased. Over the past decade primary producers have lost their most effective political voice as the former Country Party, having become the National Party, has tried to identify itself with suburban voters rather than its traditional rural base.

If the Nationals persist with this course, country people might yet find they will have to create a new party to serve their interests as effectively as those of trade unionists, for example, are now served. But in the meantime, for the sake of our economy as a whole and not just for the sake of the rural sector, the tax summit cannot inflict further injury on the farmers.

Excessive government taxes on fuel and those proposed capital gains taxes which would be tantamount to death duties could ultimately bring about the destruction of the family farm. If the summit rejects these impositions on our vital agricultural industry, it will by no means have solved all of the farmers' unnecessary problems. But it would at least be a start.

AUSTRALIA

WOOL PRICE SURGE BOOSTS CONFIDENCE

Sydney THE AUSTRALIAN in English 1 Jul 85 p 14

[Article by rural writer Nigel Austin]

[Text]

THE wool industry belied the general fate of the rural sector in the 1984-85 financial year, ending the season in a bullish mood after a 15 per cent surge in prices during the year.

The industry's outstanding performance was especially notable as it was the first price increase in real terms for five years, despite generally bleak world commodity markets.

Australia's large wool stockpile fell significantly to 984,781 bales after an extra 949,000 bales were sold during the year.

The increase demonstrated the buoyancy of overseas buyers as the wool trade eagerly sought the much larger Australian wool clip resulting from the expanded national flock of 151 million sheep.

Wool leaders remain confident the industry has the brightest prospects of any rural industry for the rest of the decade, matching the Australian Wool Corp's confident start of season predictions.

The corporation's general manager, Mr Jim Young, said wool could be viewed differently from other farm products because it was a textile raw material competing in the industrial sector, while most products were subject to the vagaries of over-production and government subsidies in the northern hemisphere.

"A feature of the present world economic recovery has been increased consumption of wool," Mr Young said.

Mr Young said this was partly because of rising consumer incomes, but had been assisted by fashion trends and changing consumer attitudes towards high-quality, worsted-type, apparel products.

Increased consumption overseas had been fundamental to increased sales from Australia, but had been assisted by buoyant textile activity in Europe and generally favourable exchange rate movements.

Although wool prices fell last week with the market indicator ending the season on 566c a kilo clean, additional sales during the season were more than the total South African wool clip.

Mr Young said wool growers could be confident about a favourable outlook next season with the market indicator ranging between 540c and 600c a kg clean.

Mr Young expected the most likely indicator price would be 570c a kg, representing an 8 per cent nominal rise and a real increase of 1 per cent.

If this holds, wool prices will have risen in real terms for two consecutive years, following four seasons of flat or declining real prices.

Mr Young said although the AWC expected a stockpile of 900,000 bales at the end of next season, he believed a stockpile of 600,000 bales was possible.

Mr Young said although sound world demand existed for Australian wool, the industry's fortunes relied on other aspects.

"It is one thing to have a reputation as a reliable supplier of a quality textile raw material; it is another to be able to service the manufacturer and the decision-maker in a highly competitive market. Wool won't sell itself," he said.

Mr Young said the same complacency existed in the wool industry now as when he joined the then Wool Commission in 1970.

Just as there had been resistance to the reserve price scheme introduced in 1970, there was now resistance from the non-farm sector to vital changes.

Mr Young said the industry had to take the lead by introducing pre-sale measurements for staple length and strength.

He criticised wool selling brokers for their delivery charge totalling between \$25 million and \$30 million a year.

While the average floor price rose from 470c to 500c a kg last week when the AWC announced next season's prices, finer sections of the clip were given substantial rises.

The 19 micron Merino category price was boosted by 140c to 768c a kg, with smaller increases for other Merino types. The 24 to 27 micron categories will retain the same reserve prices, while coarser types and carding wool will receive small rises.

AUSTRALIA

GOVERNMENT SHELVES OIL DEREGULATION PLANS

Sydney THE SYDNEY MORNING HERALD in English 2 Jul 85 p 10

[Text] LAST WEEK the interests of the consumer, nominally represented by Senator Gareth Evans, were pitted against the following: most of the oil producers, the owners of a few, mainly inefficient refineries, refinery and shipping unions, and the Government. Which side won? If you guessed that the consumer lost, you were right. The Government says it may still deregulate the Australian oil industry, but it shelved plans for doing so from January 1 1986, ironically after giving in to a group of businessmen who say deregulation is also their ultimate goal.

What did the consumers lose? They lost the fall in petrol prices which would have followed deregulation. The extent of the fall is not entirely clear. Some oil refiners say they can buy crude on the world market for \$US4 to \$US5 a barrel less than Bass Strait oil. But they cannot buy all their crude oil on the world market; their refineries are designed to handle mostly Australian oil; in the short-run their ability to substitute foreign for Australian oil is limited. That means the average price of oil passing through Australian refineries would not be cut by as much as the oft-quoted \$US4-\$US5 per barrel figure. Even some of advo-

cates of early deregulation warned that the short-term benefits to consumers could be quite small. No-one seriously argued, however, that the consumer would not benefit.

The scope for substituting foreign for local oil is more limited for some refineries than others; some refiners would have been put at a significant competitive disadvantage. They whistled up the refinery and shipping unions. The refinery unions are scared that at least one Australian refinery will soon close, and they are right. Our refiners are skating along with higher capacity utilisation rates than their loss-making European cousins, but we still possess far too much refining capacity, some of it near retirement. At least one, possibly two more refineries must eventually close. The worst deregulation could do is to hasten the inevitable.

The shipping unions, quite simply, were alarmed at the thought of less Australian oil being carried around the coast and more being imported on foreign ships. But it is hard to believe the shipping unions would have been seriously disadvantaged. They would

have extracted a share of the oil import trade and could have ended well ahead. But there is nothing easier to oppose than change, and the conservatives won. The union movement might have lost from deregulation in a less direct way: the present policy, which effectively prevents imported *refined* products seriously competing with Australian refineries, means the local refiners can fairly easily pass on their costs to consumers. That means the unions get a more receptive hearing from the oil industry than they do from most other industries, and it makes the oil industry something of a pacesetter. Deregulation could have threatened all that.

Deregulation would also have imposed at least one cost on the Government. A drop in the price of oil and oil products would have reduced inflation. The Government would obviously have seen this as positive. But deregulation would have also cut into the Government's revenue from the oil levy, at a time when the Government may be facing another bad provisional tax harvest. No wonder the consumer, and the indefatigable Senator Gareth Evans, didn't quite win the day.

CSO: 4200/1395

INDONESIA

JAPANESE PARLIAMENTARY MISSION MEETS WITH SUHARTO

Jakarta ANTARA NEWS BULLETIN in English 29 Jul 85 p A10

[Text]

Jakarta, July 29 (ANTARA).-- Chairman of the economic cooperation committee of the Liberal Democratic Party (LDP) in the Japanese parliament, Shigatani Sunada, Monday held talk here with President Soeharto to sound out the Indonesian President's views on Japan's plan to increase its official development assistance from next year.

Sunada told reporters after the talk that Japan believed it important to know the views of Asean leaders on the official development assistance (ODA) as 38 percent of Japan's ODA goes to countries in the Asean region.

In the current year, he said, the ODA from Japan will amount to a total of one trillion yen.

"We in the Japanese parliament hope the amount would be doubled in the five years to come, but now much the actual increase would be is now being negotiated between the Japanese parliament and government", Sunada said.

Human Resource Development

According to Sunada, he agreed with President Soeharto that cooperation in human resource development was just as important as economic and trade cooperation.

Both agreed that there should be an increase in the ODA fund for human resource development cooperation, for instance by increasing scholarships for students wishing to study in Japan or for exchange of scientists in various fields.

Sunada said the Japanese parliament believed that cooperation between Indonesian and Japanese universities were very beneficial in improving the knowledge of Indonesian scientists.

He cited as an example the agreement which had been signed between the University of Indonesia and Kobe University. Such relations need to be developed further, he said.

He said at present 12,000 university and high-school students are studying in Japan on scholarships from various Japanese institutions. Of this total, 180 are from Indonesia and most of the rest from South Korea.

The Japanese government plans to increase the number of such students to 100,000 by the 1990s, he said.

While in Indonesia, Sunada will have talk with the Indonesian minister of education to discuss this matter.

President Soeharto told the Japanese parliamentary leader that Indonesia also hoped for transfer of technology from Japan to Indonesia.

CSO: 4200/1390

INDONESIA

PAPER LOOKS AT ROLE, FUTURE OF AIR FORCE

BK181050 Jakarta SINAR HARAPAN in Indonesian 30 Jul 85 pp 1, 8

[Article by correspondent Atmaji: "Efforts To Deploy Limited Number of Air Force Fighter Planes at Strategic Bases"]

[Text] Just as the Indonesian Navy has two regional fleets which divide the Indonesian territorial waters into the western and eastern regional commands, the main operational command of the Indonesian Air Force also consists of two regional commands, which divide the country into two approximately equal areas of responsibility.

The demarcation line between the two areas of responsibility, namely those under the command of the Air Force Operational Command I for western Indonesia and the Air Force Operational Command II for eastern Indonesia, is along the border line of the West Java and Central Java provinces.

However, while the Indonesian Navy's eastern fleet has more comprehensive naval elements than its western counterpart, the strength of the two Air Force Operational Commands is equally balanced. The Air Force Operational Command II probably holds a slight edge in that the Iswahyudi Air Base in Madiun, East Java, is under its jurisdiction.

The Iswahyudi base is often described as the center of the Air Force fighting machine because two of the three squadrons of fighter planes owned by the air force are deployed there. Even before the recent reorganization program was implemented, the Iswahyudi base was the headquarters of the 300 Operational Wing, which practically controlled all the existing air power. Besides, during the 1962-65 "golden" age of the air force, the TU-16 and TU-16 KS long-range fighter jets were deployed there.

It is not easy for the Indonesian Air Force to equally and evenly spread its limited air power to cover the Indonesian air territory--a territory far wider than that under NATO responsibility in Western Europe. The Indonesian Air Force simply cannot afford to do what the NATO is doing with its approximately 1,500 most advanced fighter aircraft.

Our latest records show that the Indonesian Air Force only has three squadrons of fighter jets; two of which consist of the A-4E "Skyhawk," one squadron of

fighter jets for training purposes but capable of being used for tactical operational backup; and a squadron of the OV-10 "Bronco" planes. Its trump card is the F-5E "Tiger II" fighter jets, grouped in a special fighter-interceptor squadron.

What is the basic strategy of the Indonesian Air Force in deploying its air power at strategic places to provide a maximum air defence system? In a recent interview with SINAR HARAPAN, Air Force Chief of Staff Marshal Sukardi said that as far as the deployment of warplanes is concerned, high priority is given to areas considered sensitive and strategic as well as to vital industrial centers. He said: "These vital industrial centers must definitely be safeguarded because they constitute major revenue earners for the country. These places also provide employment to many people."

The air force chief's remarks are similar to what Armed Forces Commander General Murdani said at a recent parliamentary hearing in that in the event of a foreign invasion, we can no longer withdraw into the rural areas to wage a guerrilla war--something we did 40 years ago. He said: "These industrial projects are too valuable to be abandoned to the invading enemy."

Seen from the technical point of view, the deployment of warplanes at the existing bases apparently also take into account various other factors, so that an escalation of threat against any part of Indonesia will be matched by the limited strength of our air force.

It appears that until the year 2000, our air force fighter planes will only be able to function as a force to repulse enemy air raids. As is known, the current Indonesian defense system relies on the defense of a major island or a cluster of small islands with the army as its main backbone. However, the present leaders of the Indonesian Air Force are also preparing a strategic air defense system to cope with the changing situation on the eve of the 21st century.

All high-ranking officers at the Indonesian Air Force headquarters in Pancoran will readily admit that the air force's overall strength is minimal in terms of the task of defending the country. "But believe us that we will compensate for the minimal strength with the highest quality of performance so that no enemy can take us for granted," said a former air force pilot.

A concrete move toward this end can be seen in the deployment of warplanes at places considered important. The deployment of a fighter jet squadron at the Pakan Baru base is the most telling evidence. This shows that air force officers attach great importance to the areas around the Malacca Strait and the South China Sea as a "gateway" into our country.

Within the next 15 to 20 years, a potential threat against our country is expected to come through this gateway. For this reason, the Indonesian Navy has so selected Tanjung Pinang as one of its major naval bases.

The city of Pakan Baru is the home base of an A-4E "Skyhawk" squadron because its located strategically between the Malacca Strait and the South China Sea. It takes only a few minutes for fighter jets to reach the Malacca Strait from the Pakan Baru base, while a relatively modern forward base at Ranai in the Natuna island can be expected to provide support for air patrols in the South China Sea.

The forward base which protrudes into the vital South China Sea suddenly became a focus of attention among Indonesian armed forces officers shortly after the fall of Saigon in 1975. On his way home from an overseas trip, Lieutenant General Benni Murdani, at that time an assistant for intelligence to the armed forces commander, made a stopover to inspect the then under-developed Ranai base.

It appears that only two strategic air bases located in the ASEAN countries, namely Clark Air Base in the Philippines and the Ranai base, are capable of countering Soviet air patrols sent from Vietnam. The Clark base is the largest U.S. air base in the Southeast Asian region and several countries in the region still consider it as their "guardian" against a potential Soviet threat.

As for Malaysia, Singapore, and Indonesia, the Ranai base is a dependable one. While it is true that the forward base located in the Natuna island holds a vital role, it does not mean that it can be converted into a major air base because its geographic location and its lack of support facilities must still be taken into account. However, the air refuelling system, quietly developed by the Indonesian Air Force, has enabled the A-4E jets sent from Ranai to reach Ho Chi Minh City easily.

In fact, if the Indonesian Air Force was not constrained by a shortage of aircraft, a similar deployment of warplanes could be carried out at the Kelapa Sawit Air Base in Medan, North Sumatera. Warplanes stationed at the air base next to the Polonia civilian airport would be able to operate at the "mouth" of the Malacca Strait as well as to monitor the air territory of the northern tip of Sumatera island, which faces the Indian Ocean.

Another ideal forward base like Ranai base exists on Weh Island in Sabang. At the moment, a simple base can be found there and its facilities will be upgraded soon to enable bigger patrol aircraft to land. The base at Weh Island will later be jointly used by the Indonesian Navy, which will station its GAF Nomad planes for maritime patrol.

While more fighter aircraft are deployed in the Air Force Operational Command I controlling the western part of Indonesia, the Air Force Operational Command II apparently has more reconnaissance aircraft for air patrols with a view to safeguarding the exclusive economic zone waters. However, it is worth nothing that the OV-10 "Bronco" attack planes are stationed at the Iswahyudi base in Madiun and the Abdularakhman Saleh base in Malang.

Understanding the importance attached by the Indonesian Navy to the rich and vast territorial waters in the eastern part of the country, the Indonesian Air Force decided to deploy a reconnaissance squadron at the Hasanuddin Air Base, from where patrol aircraft can be sent to monitor the movements of oil tankers and submarines along the vital route between the South Makasar Sea and the Lombok Strait. This routine patrol can also prevent illegal Korean and Japanese fishermen from entering the rich territorial waters. The infant surveillance squadron relies on the services of three Boeing 737-200 transport planes, which are equipped with side looking radar, and one Hercules C-130 plane for its maritime patrol mission.

Coordinating their patrol operations with other aircraft belonging to the Indonesian Navy based at the Sam Ratulangi base in Manado, these surveillance aircraft have conducted routine patrols in the sensitive waters between the Makasar Strait and the Sulawesi Sea and repeatedly caught redhanded Soviet merchant ships or "trawlers" prowling in the area. Even though these Soviet ships normally inform the Indonesian authorities in advance of their wish to past through the area, our maritime patrol once discovered a Soviet ship casting anchor and lowering a small boat.

It is still unclear as to what the Soviet ship was doing, but it is known that the Soviets have long shown an interest in knowing the characteristics of the deep waters in that area as well as the saline density of certain straits because this can affect the sensitivity of a submarine's sonar system.

The Indonesian Air Force is fortunate in having several strategically located forward bases in the eastern part of the country. These potent forward bases were built by General MacArthur during the last war. At the northernmost tip of the region is Morotai Air Base with its seven parallel concrete runways. The Indonesian Air Force is now making use of only two of the seven runways, but the remaining ones can easily be put into service by clearing undergrowth covering them. The same situation exists at the Manahua Air Base in Biak Island.

The Manahua base is the only base in the eastern part of the country that can be used by large transport planes and can provide facility service for any type of aircraft.

When our air force strength is more developed, it can deploy its aircraft easily because of the available bases in the area. This is especially true when we consider the fact that places like Kendari, Tual, and Bacau in East Timor basically can be used for launching strategic military operations.

Just as the Indonesian Navy did in its recent reorganization program, so the structure and functions of the air bases were also reorganized. While a naval base must be able to provide maximum support to the warships operating from it, an air base must be able to develop a readiness for air operations of all units under its command.

Before the reorganization, an air base had a very limited authority due to the overlapping function it shared with an air wing or other commands which happened to be assigned at such a base. After the reorganization, an air base commander is now in charge of all existing units at the base, including those involved in air operations, technical matters, radar operations, hospital services, as well as guided missile operations.

An air base commander's task is to ensure that all units mentioned earlier be always in a "combat ready" state so that they can be relied upon by the National Air Defense Command or the Air Force Operational Command in implementing strategic or tactical air operations.

The term principal air base no longer exists in the air force's restructured organization because basically all air bases are supposed to be ready to receive the arrival of any existing air units. A high-ranking air force officer said: "The main thing is that each air base must be able to receive aircraft which land for military operations or ordinary training purposes."

The Indonesian Air Force leadership has since 2 years ago begun a program to build "future air force" [three preceding words in English] by launching the so-called Ganesha project. Named after the Hindu god of science, the project is in fact not aimed at grooming new pilots and purchasing new aircraft, but at training highly qualified technicians.

A future air force does not rely solely on sophisticated fighter planes like the F-16, Rapier guided missiles, or Thomson radar equipment. Our air force pilots can learn to fly any type of modern aircraft in a relatively short period of time. An experienced pilot remarked: "If anybody offers to give us F-16 planes now, we will certainly refuse the offer not because we do not have qualified pilots, but due to the absence of qualified maintenance personnel."

The Indonesian Air Force currently lacks experienced noncommissioned officers or qualified sergeants. This may result in a serious problem for the air force if the problem is not properly solved. (Napoleon Bonaparte once said: "Sergeants are the sword hilt of an army.")

The number of highly skilled air force personnel with 20 years of service behind them (20 years period is the standard time to determine sufficient experience and maturity) is now steadily declining whereas new sophisticated aircraft require the skills of such personnel. The Ganesha project is expected to accelerate the production of such personnel without sacrificing the quality of modern technology or getting lagged behind in its application. Such personnel will be equipped with equally advanced technical knowledge taught to pilots. When the situation needs them, a little training can convert these personnel or "ground crew" [two preceding words in English] into pilots capable of flying any type of aircraft within 5 years from now.

Two services of the armed forces, namely the navy and the air force, are suppose to be "technical heavy" [two preceding words in English] and both are facing the challenges of a fast-changing system of armament technology. The

Indonesian Navy experienced its first "technological shock" in 1980 when it had to put into service its seven new warships.

Compared with warships purchased earlier, the three corvettes bought from the Netherlands and the four "patrol ship killer" from South Korea amounted to a 20-year "technological leap" our navy had to handle in a relatively short period of time.

The Indonesian Air Force will experience its "future shock" [two preceding words in English] some 3 or 5 years from now when it begins to put into service the latest generation of fighter jets, such as the F-16 "Fighting Falcon," the F-20 "Tigershark" or even the Mirage 2000 planes. While it is true that the F-5E planes require highly skilled personnel for their maintenance, our air force technicians are still able to take care of them. If Ganesha, the elephant symbolizing the god of science, is not activated now, all our high hopes for the future will be in vain.

CSO: 4213/306

INDONESIA

60 PKI MEMBERS SAID STILL IN PRC

BK200620 Jakarta SINAR HARAPAN in Indonesian 13 Aug 85 pp 1, 12

[Excerpt] Jakarta, 12 August--Dr Suhardinman has disclosed that young Indonesian communist cadres in Berlin [part of the city not specified] continue to undermine the Indonesian Government by among other things discouraging foreign investment in and preventing foreign tourists from coming to Indonesia.

The vice chairman of the parliamentary Functional Group faction in charge of political and security affairs was speaking before all staff members and employees of the Kimia Farma Company in Jakarta on Monday afternoon [12 August] on the occasion of the company's 14th anniversary.

Suhardiman added that there are still 60 Indonesian Communist Party figures in mainland China. The fact that they always try to infiltrate into Indonesia will be a very serious threat in the future. Other dangers include crimes, terrorism, and subversion. There are still many acts of commercializing authority and positions leading to corruption, while cultural, political, and economic subversions continue to occur and are difficult to be uncovered.

Meanwhile, subversion resulting from the Iranian revolution which has affected an ASEAN country is also growing in Indonesia. This will certainly affect the political situation in Indonesia, particularly prior to the 1987 general elections.

CSO: 4213/306

ECONOMIST ANALYZES DEVELOPMENT OF NATIONAL ECONOMY

Jakarta ANTARA NEWS BULLETIN in English 30 Jul 85 pp A9, A10

[Text]

Padang, July 29 (ANTARA).-- Indonesia's economic growth rate until mid-1980s was relatively better compared with other developing or even some industrial countries, according to a prominent Indonesian economist, Prof. Dr. Sumitro Djojohadikusumo.

In a lecture on Indonesia's current economic development delivered Monday before West Sumatra's regional military, government officials, bankers and economists, Prof. Sumitro said he expected Indonesia this year would be able to maintain its economic growth rate at 4.5 percent as achieved in 1984.

He attributed the expectation to this year's inflation rate which he described as being "under control" at around eight to nine percent which is much lower than 16.5 percent in 1984.

Regarding Indonesia's external debts, Prof. Sumitro considered its repayment performances as far better than other developing countries, even compared with Malaysia which so far serves as a model of economic stability in developing countries.

He pointed out that Indonesia's foreign exchange reserves which at present totalled a approximately US\$ 10.5 billion are quite sufficient to finance its imports for seven months. Besides, he continued, Indonesia can make use of available funds of more than seven billion US dollars from the IGGI aid and other international credits, in addition to US \$ 0.3 billion of unused credits from the IMF.

"With these supporting factors in mind there is no need to worry too much" he added.

He said Indonesia has since 1972 recorded a continuing upward trend in its economic growth averaging six to seven percent except in 1982 when it reached 2.2 per cent.

"The low economic growth in 1982 did not have much effect on the nation's economy", he said ascribing it to the positive impacts brought about by the previous growths, particularly in the agricultural sector in which a year after weathering the hardship, Indonesia recorded a surplus in rice production.

Indonesia was the biggest rice importer in 1972 absorbing nearly 30 percent of rice traded on the international markets, but in 1983/1984 it achieved a surplus in its domestic rice production.

Some Problems

According to Prof. Sumitro, there are some problems that call for a serious attention if the country expects to maintain or even to surpass its 4.5 percent economic growth rate.

Among other things, he said, the production activities should be encouraged in order to provide more employment opportunities.

Prof. Sumitro pointed out that the growth rate of Indonesian work-force at 2.53 percent in 1983, 2.77 percent in 1984 and 2.79 percent in 1984, has so far exceeded its population growth pace at only 2.3 percent.

"Although employment is a sectoral matter, it deserves our concern because of its effects", he said.

Concerning the current sagging in world oil prices, the nation should not worry much about this trend because there are many other opportunities the country can resort to.

"Do not hope for an increase in oil prices in the next fall, because the oil importing countries have been efficient enough in oil."

The reshaping of some development projects as one of the way-outs following the slump growth in 1982, needs to be continued selectively, he said.

Projects already approved must be implemented in particular those relating to the agro-industry, he added.

CSO: 4200/1390

INDONESIA

MOCHTAR ON FOREIGN CAPITAL INVESTMENTS

Jakarta ANTARA NEWS BULLETIN in English 30 Jul 85 p A 1

[Text]

Jakarta, July 29 (ANTARA).-- Foreign Minister Mochtar Kusumaatmadja is of the view that foreign capital investment (PMA) is at present still needed by Indonesia not only as a financial source for investment but also as a means for transfer of technology.

The Indonesian foreign minister pointed this out in his keynote address on capital promotion to representatives of Indonesian missions abroad here Monday.

Minister Mochtar said the available funds at home accumulated through taxes and public savings are still not sufficient to bear development expenses, so that foreign investments are still needed.

From the viewpoint of capital procurement, foreign capital investment is still welcome, he said.

Through the lack of concessional funds and the steadily decreasing flow of private capital for investment, the burden of heavy foreign debts has necessitated many countries to attract foreign investment.

Foreign investment which so far still constituted a controversial choice, is at present more acceptable and has even become a bone of contention by many countries.

Indonesia mainly faces tough competition from other developing countries with middle income in East and Southeast Asia, he said.

Foreign capital investment recipient countries are at present competing to attract funds/capital from Japan, the US and Europe through offering various incentives.

For foreign investors, foreign investment often is a means for their foreign trade to market their products.

Foreign investment recipient countries which experience saturated domestic markets, including Indonesia, are witnessing symptoms of unwillingness from foreign investment new-comers.

"We are now witnessing a shift of Japanese foreign investments to advanced countries, mainly the US", Minister Mochtar said.

In the present situation it is difficult for Indonesia to attract foreign capital, because of the stiff competition.

On diplomatic functions, the Indonesian foreign minister said that they had developed not only to implement foreign policy, but had been extended with new tasks.

Fields which originally belonged to the region of home affairs policy, such as policy on environment, social security, energy, raw materials and transportation, are now subjects of international policy.

These changes in diplomatic functions have developed parallel to basic changes in the systems of many countries.

Economic problems such as trade, services and international finance are at present integral parts of diplomacy. "These fields often even precede the political field", Mochtar said.

In the framework of working for the national interest, in particular economic interest, many countries, including Indonesia, carry out "economic diplomacy".

Several countries, such as the Republic of Korea, even carry out "total diplomacy" in safeguarding their national economic interest, the Indonesian foreign minister said.

In foreign relations the foreign office is responsible to forge a common thinking in order not to confuse the foreign side, in particular the foreign investor interested to invest in Indonesia, Foreign Minister Mochtar Kusumaatmadja said.

CSO: 4200/1390

INDONESIA

ALMOST HALF OF TRANSMIGRATION TARGET RESETTLED

Jakarta ANTARA NEWS BULLETIN in English 26 Jul 85 p A3

[Text]

Palembang, July 26 (ANTARA).-- Minister of Transmigration Martono has disclosed that the transmigration target of Pelita IV (five-year development plan, 1984-1989) is to move 750,000 transmigrant families, meaning an increase of 50 per cent over the previous Pelita.

Up to July 25, a total of 295,087 families have been resettled, and it is expected that on August 17, 1985, the number will become 300,000 families or almost half of the total target, Minister Martono said in the opening ceremony of a regional transmigration technical consultative meeting in Palembang Thursday.

The minister said that during 2.5 years of Pelita IV, a half of the target has been achieved and by the fourth year of the development plan a total of 600,000 families would be resettled.

Although the transmigrant resettlement in Pelita III faced obstacles, the target was achieved, Minister Martono added in the one-day meeting attended by 235 participants from South Sumatera.

In Pelita III, 2,000 transmigrant families resettled in their new resettlement areas ran away and returned to their original area. However, the number was only 0.4 per cent of all transmigrant families who were resettled which was 500,000 families, Martono said.

Similar consultative meetings will be carried out every year not only in South Sumatera but also in Medan (North Sumatera), Banjarmasin (South Kalimantan), Ujungpandang (South Sulawesi) and Surabaya (East Java) which will discuss the transmigration matters, he added.

During the previous development plan, South Sumatera resettled 85,402 transmigrant families.

CSO: 4200/1390

INDONESIA

ADB APPROVES EQUITY INVESTMENT IN PRIVATE COMPANY

Jakarta BUSINESS NEWS in English 24 Jul 85 p 10

[Text]

The Asian Development Bank has approved an investment of US\$ 400,000 in the newly formed limited liability private Indonesian company, PT Kratama Belindo Internasional (KBI), by purchasing 10 per cent of the company's share capital. This marks the ADB's first direct equity investment in a productive enterprise in any of its developing member countries (DMCs).

KBI is a joint-venture undertaking by Indonesian and Dutch investors for the establishment of Indonesia's first steel fabrication construction workshop and galvanizing plant located in the Cilegon Industrial Estate, West Java, which has been earmarked by the Government for the steel and steel processing industries. The company was incorporated in March 1985.

Because Indonesia imports all its galvanized steel structure for power transmission towers and bridges, the establishment of KBI reflects the Government's priority of promoting new private sector investment in projects using domestically manufactured goods and materials. In addition to generating employment opportunities, KBI will promote the efficient use of local resources and transfer of technology in the field of design and production of galvanized steel structures.

Other investors in the share capital of KBI are PT Hutama Karya (25%); PT Krakatau Steel (15%); PT Inconed (5%); Hollandia Kloos N.V. (27.5%); the Bammens Groep B.V. (7.5%); and the Netherlands Development Finance Company-FMO (10%).

The initial cost of the KBI project is estimated at US\$ 9.9 million. The Bank will invest US\$ 400,000 equivalent from its ordinary capital resources for the purchase of 10% of the authorised and subscribed share capital of KBI. KBI project will be implemented in three stages and eventually will represent a total project cost of US\$ 22.6 million.

CSO: 4200/1389

INDONESIA

SUHARTO RECEIVES FRENCH OIL COMPANY DIRECTOR

Jakarta ANTARA NEWS BULLETIN in English 29 Jul 85 pp A6, A7

[Text]

Jakarta, July 29 (ANTARA).-- President Soeharto Monday received Francois Xavier Ortoli, the president-director of the French oil firm Total Compagnie Francais des Petroles, who had come to Indonesia in connection with the achievement of the production target of the Handil oil field in East Kalimantan.

The Handil oil field has now reached the cumulative production of 500 million barrels of oil since Total Compagnie handles its exploitation.

Total Compagnie Francais des Petroles is the parent company of Total Indonesie which operates in the Mahakam offshore working area of East Kalimantan since 1968 under a production-sharing contract with Indonesia's state oil company Pertamina.

Handil was the second oil field discovered by Total Indonesie in the Mahakam offshore area in 1974. Prior to 1974, operations in Handil were handled by the Japanese firm, Japex, under a production-sharing contract signed with Pertamina in 1966. Total Indonesie later took over by buying 50% of the shares of the company involved.

Total Indonesie had drilled about 230 wells at the Handil field since it took over. The Handil field is estimated to contain a reserve of 15 billion barrels of oil and two trillion cubic foot of natural gas.

Right now it is producing 150,000 barrels of crude per day on average and has become the second largest oil field in Indonesia after the Minas field in Riau.

A Pertamina source said Total Indonesie and Pertamina are now working to conduct a secondary recovery of the oil wells in the Handil field using the water and gas injection technique in order to increase production.

Meanwhile a preliminary study had been made for the possibility of a tertiary recovery which could raise production further by about 100 million barrels from the same field. For this tertiary recovery purpose, an additional 100 wells would have to be drilled between 1985 and 1989, the source said.

In his courtesy call on President Soeharto Monday, Ortoli was accompanied by Pertamina exploration and production director Ir. Sutan Assin.

CSO: 4200/1390

INDONESIA

RIAU'S NEW PALM OIL PLANT TO BE INAUGURATED SOON

Jakarta ANTARA NEWS BULLETIN in English 29 Jul 85 pp A8, A9

[Text]

Pekanbaru, July 29 (ANTARA).-- Riau province will have an additional private palm-oil plant, set up in Air Molek district, Indragiri Hulu regency, about 240 kms southeast of Pekanbaru, which is expected to be inaugurated by the President or the vice President in the near future.

The preparations for the inauguration of the palm-oil factory, owned by PT Tunggal Perkasa, were suryed recently by Riau Governor Haji Imam Munandar in the framework of his three-day inspection tour of Indragiri Hilir and Indragiri Hulu regencies.

The factory project officer Ir. Ari Malangyudo said that 90 per cent of the construction work had been completed and trial production had started since last May.

The plant is at present already capable of processing 20 tons of oil-palm per hour with a production of four tons of palm-oil per hour, which is marketed in Medan.

The factory has at present a productive cultivated area of 3,000 hectares with a projected total cultivated area of 15,000 hectares by 1990.

The factory, which was set up with a capital investment of Rp 6 billion, employs at present 55 local workers. To prevent pollution by the factory's waste products, an area of one hectare has been set aside for water treatment.

Riau province in Pelita IV (fourth five-year development plan, 1984-1989) has projected 600,000 hectares for oil-palm cultivation, which is earmarked to become the main commodity crop for the province. Until now some 200 to 300 thousand hectares out of the projected 600,000 hectares have been already cultivated. For the projected total production of palm-oil some 40 palm-oil factories will be needed with an investment of Rp 6 billion per factory.

CSO: 4200/1390

INDONESIA

GOVERNMENT ASKED TO PAY MORE ATTENTION TO FOREIGN VESSELS' OPERATION

Jakarta BUSINESS NEWS in English 31 Jul 85 p 6

[Text]

Indonesian shipping circles hope that the Communications Department will take measures against those violating the Presidential Instruction (Inpres) No.4/1985, particularly companies which have disobeyed stipulations on the role shipping agencies in giving opportunities to foreign vessels to enter Indonesian harbours. They are of the view that such violation will threaten the operation of national shipping companies.

With the issuance of Inpres No. 5/1985, SKU (general agency licenses) is no longer necessary for foreign ships operating in Indonesian waters. But the government has appointed national shipping companies to serve as agencies for all foreign ships entering Indonesian waters.

However, some national shipping companies, especially those operating for ocean shipping services, has violated the regulation, instead of supporting the government's efforts to control the operation of foreign vessels in accordance with the existing regulations.

Based on article 2, the Decree of the Minister of Communications No.KM. 85/AL. 003/Phb-'85 dated March 11, 1985, national shipping companies are allowed to make agreements to serve as shipping agencies with foreign shipping companies and they are obligated to report the agreements to the Minister of Communications c.q. the director general for sea communications.

With the signing of the agreements, the Directorate General for Sea Communications will be able to know the agencies of foreign vessels entering Indonesian harbours, which will be responsible for the cost of port services. And more important than that is foreign shipping companies will no longer be able to change their agencies from one national shipping company to the others.

Since the issuance of the new regulation on the use of shipping agencies by foreign vessels, the Directorate General for Sea Communications has not received reports of agreements between national shipping companies and foreign shipping companies, according to sources.

Latest reports said that 24 out of a number of foreign vessels which entered the Panjang Port from May to July 17, 1985 had not signed agreements with national shipping companies which served as their agencies. They comprise 11 vessels with PT Samudera Indonesia as their agency, six with PT Djakarta Lloyd as their agency, four with PT Trikora Lloyd as their agency and two with PT Gesuri Lloyd as their agency. Those vessels generally belong to shipping companies in Singapore, Korea, Greece, Liberia, Norway, the Soviet Union, Poland and Panama.

CSO: 4200/1389

INDONESIA

JAPANESE-MADE COAL TRANSPORT SHIP DELIVERED

Jakarta BUSINESS NEWS in English 24 Jul 85 p 9

[Text]

MS Tarahan, a special vessel for coal transport built by a Japanese shipbuilding plant, has been delivered to Indonesia. The vessel arrived here last month to operate for the transport of coal supplied to the Suralaya thermal power plant.

But the new vessel has not started its operation up to the present time because of the delay in the completion of a special harbour for coal transport in Bandar Lampung. The completion of the port will be delayed till the end of this year, according to reliable sources.

Coal to be supplied to the Suralaya thermal plant in Banten will be transported by trains from Kertapati (South Sumatra) to the Tarahan port, and from the Tarahan port in Bandar Lampung it will be carried by MS Tarahan to Suralaya.

The operation of MS Tarahan is entrusted to PT Bahtera Adhiguna, a special shipping company. MS Tarahan, with its special design for the shipment of coal, cannot be used to transport general cargoes.

According to sources, PT Bahtera Adhiguna will for the time being operate MS Tarahan for the transport of coal from West Sumatra to Lhok Nga in Aceh.

CSO: 4200/1389

INDONESIA

FOREIGN VESSELS ALLOWED TO TRANSPORT COAL

Jakarta BUSINESS NEWS in English 26 Jul 85 pp 3, 4

[Text]

The National Energy Coordinating Board (Bakorem) has decided to allow national and foreign private companies to participate in serving the transport of coal on a large scale in Indonesia by operating special vessels as far as their operation is not part of working contracts or cooperation contracts for the exploration/exploitation of coal deposits.

The decision was made at a meeting of the board here earlier this month, Director General for General Mining Affairs Drs. Soetaryo Sigit said at a seminar on the quality of Indonesian coal here Wednesday. He pointed to the possibility of expanding the domestic sales of coal after specially processed and packed.

Business activities dealing with the processing, packing and marketing of coal are still open to private companies in Indonesia, the director general said. He also pointed out that Indonesia had potential coal deposits and the government was determined to develop the utilization of this mining product for various purposes in the country.

He did not rule out the possibility of exporting coal to Malaysia, the Philippines, Taiwan, Korea and Japan. Indonesia is not in the group of coal exporting countries, but has been exporting coal for several years to maintain the marketing of its coal on the foreign market.

To operate a thermal power plant in Suralaya, West Java, Indonesia has to import low quality coal from Australia. In Indonesia's coal imports from Australia, based on the contract signed by the two countries, have been allocated at 440,000 tons for 1984/85 and 1,600,000 tons for 1985/86.

The Bukit Asam coal mine in South Sumatra is expected to be able to fulfil the whole need of the Suralaya power plant for coal by 1987. Indonesia's exports of coal rose from 433,610 tons in 1983 to 873,130 in 1984 and is projected to increase further to 1,000,000 tons this year.

Concerning the handling of coal mines by contractors, the director general explained that contractors exploited coal deposits which had been explored by concession holders, namely state enterprises or government institutions. And then, the contractors submit coal produced by the coal mines they exploit to the owners (state enterprises or government institutions) with prices which have been fixed before.

Potential coal deposits available in various places in Indonesia have since 1981 been entrusted to the government, and the exploitation of coal deposits with limited capacity (around 5 million to 10 million tons) found in Java, Sumatra, Kalimantan and South Sulawesi are open to private companies, cooperatives and small holders' mining units.

CSO: 4200/1389

LAOS

'TALK' BLASTS RADIO MARTI, SEES CIA LINKS

Vientiane PASASON in Lao 19 Jun 85 p 3

/Column by Khamphin Sisophavong: "American Imperialists' Instigate 'War of the Radio Waves'"

/Text/ On 20 May 1985, the American imperialists brought on the so-called "Radio Marti," which is now broadcasting programs that waste up to \$10 million. This radio station is stationed in Florida, 200 km from Cuba. It broadcasts 14 hours daily on a continuous basis. The American imperialists are using this radio station as a psywar tool for attacking Cuba, which is the progressive force in the Latin American region.

The Reagan administration is aiming with this kind of action to make the situation in the Central American and Caribbean areas increasingly tense. Consequently, the Cuban Government on 20 May stated in an announcement that, "This action of the American imperialists is disgusting to Cuba. They are hoping to make the situation in this region tense, especially the economy of Latin America and of all developing countries, which are exploited by capitalist countries. Those countries must cope with a system of international relations set up by the American imperialists, who do not have any humanitarian sense. This causes tension, unrest and class unrest around Cuba. The United States is hoping to deceive and cover up this turmoil and the problems that it has created. On the other hand, it hopes to propagandize and distort the truth and destroy Cuba's drive in looking for pacific ways that aim to eliminate tension in this region."

Formerly as well as presently, radios have been a primary means for all the imperialist powers for propaganda, attacks and serving psywar purposes, particularly for the American imperialists, who have been using this psywar to attack the USSR and other socialist countries. There are two organizations that serve their schemes: the IBC, which is one organization that is closely connected with the CIA and USIA, and also the VOA, which has a 107 station worldwide network. They broadcast in 46 foreign languages, 1,924 hours of broadcasting time per week. Primarily, they attack socialist countries. The Americans in power have contributed tremendous amounts of funds to these psywar activities, especially in 1984, when Washington invested \$711.4 million in USIA, an increase of \$67.4 million over 1983's budget. They spent \$325 million for expanding national radio network broadcasts, an increase of 30 percent over last year's.

In 1985, the Reagan administration proposed \$1 billion in funds for improving and building a modern system for the VOA in order to make this radio network a means for instigating war against Cuba and socialist countries, in line with their schemes.

12597

CSO: 4206/146

LAOS

ELIMINATION OF VANG PAO REMNANTS IN VIENTIANE DISTRICT

Vientiane PASASON in Lao 12 Jun 85 pp 2, 3

/Article: "New Day For Xaisomboun District"/

/Excerpt/ Xaisomboun District split from Xieng Khouang Province only in the beginning of 1982. The district was founded after the complete liberation of the country. Right now, it is one of nine districts in Vientiane Province. Xaisomboun District is mountainous and quite large in area. The population is 15,700, of which ethnic Hmong constitute two-thirds. They have all settled in the plains and valleys and along the cliffs with thick forests and beautiful, green vegetation and which are rich in precious natural resources. The district landmark is Phou Bia Mountain, which is 2,800 m high, the highest point in the country.

Ninety-five percent of the population came from other districts from different provinces during the especially violent war time in Laos; only 5 percent were natives under the old regime. The people make their living in highland farming of rice, opium, corn and by illicit opium trading. The district was a strategic military point for the American imperialists; namely, it was the rich home of the special forces of Vang Pao, the most stubborn ring leader who actively destroyed the Lao revolution.

The tribal ethnic groups of Xaisomboun District gradually revived after the establishment of the new LPDR regime under the guidance of our honorable LPRP members, with Comrade Secretary Kaisorn Phoumviarn as leader.

Since those years, they have been closely and systematically guided by the Central Party and the party's Vientiane Province administrative body. The party committee and the administrative committee of Xaisomboun District are determined to improve and strengthen the forces of solidarity of the tribal ethnic groups by sending cadres to the basic production areas to carry out the development of the political foundation in each village, to encourage the hill tribes to be aware and participate in the national security task and guide them to be prepared to fight and win, and to make them aware that the national defense task is closely tied in with systematic and proper economic development and cultural expansion in order to be able to seize victory, step by step. The American military team's sanctuary and the enemy's underground forces, and the many aspects of their schemes and psywar must be counterattacked, destroyed and beaten promptly, in every event. This will make Xaisomboun District peaceful and allow the people to build and improve their lives and earn their living comfortably without interruption.

Concerning the economic and living standard development tasks, Xaisomboun District currently has no starvation. Formerly, every year people had to go into the woods to forage for cassava and taro and other food to substitute for rice for 2 to 3 months. Now they are self-sufficient in food and also have surpluses and the means to fully meet their obligations to party policies because their hill tribe people have been indoctrinated. This is shown in many villages, where there is awareness, /and by the fact that/ people are leaving isolated production in the highland areas to come down and earn their living collectively in the plains. Thirty percent of the total population in the entire district have expanded the rice field area to 366 ha. It is particularly noteworthy that many families of Pha Sa-ngob Cliff Canton have come down to do rice farming in the plains.

Concerning the development of the basic economy, there is one rice warehouse and one rice mill /to serve/ the entire district. Construction is in progress of a hydroelectric dam for bringing light to serve the people and other upcoming important construction sites within the district. The people are being encouraged to build small roads between villages, and communications between cantons are much smoother than before. Mass organizations are being guided to repair 100 km of commuter roads between the Xaisomboun District (Mouang Cha District) /administrative/ offices to the crossroads to Mo Pond near Route 13 north of Phon Hong-Vang Vieng. This has made transporting goods between urban and rural areas more convenient, which can be done during the dry season as well as the rainy season. This has contributed to the surge in production for steadily improving the living standards of the people. There are two state stores in Xaisomboun District distributing goods to meet the needs of the people. These stores also are responsible for promptly and successfully purchasing forest goods and agricultural production from the people.

Last year, 8 tons of cardamom were purchased; since 1982 to the present, 1,200 tons of rice have been purchased and bartered from the local people. One-hundred-and-forty-eight tons of rice have been collected as agricultural taxes.

The party committee and the district administrative committee have been paying a lot of attention to the education and the public health tasks. Therefore, over the past years, in spite of all the difficulties from external and internal factors--primarily, the destructive activities of the enemy--the backward ideology and old traditions of the Hmong that had been passed on from the old society have been gradually and completely eliminated. The objective of eliminating illiteracy among persons 45 and younger has been successfully undertaken, and they are now reading at the basic level. The cultural education drive is spreading widely; there is an elementary school in every Hmong village and these schools are able to accept almost all children. The number of students during the 1984-1985 scholastic year increased 5 times over last year's. In particular, the district administration has set up the 2 December Youth School and the Hill Tribe LPRYU School to welcome and educate orphans and children of the working class. These schools are under the care of the state. The state also has opened one accelerated teachers promotional school for the hill tribes. Over the past 3 years, 60 teachers have been trained and they are out serving the public.

12597

CSO: 4206/146

LAOS

BRIEFS

SAVANNAKHET DISTRICT CO-OP GROWTH--Khanthabury is 1 of 10 districts located in the heart of Savannakhet Province. Khanthabury District has 11,421 rice fields for production. Khanthabury District has been considered to be the leading one in Savannakhet Province since 1978, particularly in developing and changing over to agricultural cooperatives on the road to a socialist collective production system for farmers. Specifically, since the beginning of 1985, Khanthabury District has expanded 55 additional agricultural cooperatives with 4,741 households, 25,872 members and 4,334.8 ha of rice fields for production. Therefore, there are said to be 123 agricultural co-ops consisting of 9,472 households with 54,671 members and 10,789.09 ha of rice fields for production and 431,563 tons of seedlings in the entire district. Cooperative households cover 97.92 percent of the farming families and cooperative rice fields cover 94.46 percent of those in the entire district. Consequently, there is no canton without an agricultural cooperative. A remaining 201 households have not applied to become members of agricultural cooperatives, but are all setting up a collective production unit. Consequently, there are no more independent farming families.

/Excerpts/ /Vientiane PASASON in Lao 12 Jun 85 p 2/ 12597

CSO: 4206/146

MALAYSIA

BRIEFS

MCA ACTING PRESIDENT'S COMMENTS--The newly elected MCA [Malaysian Chinese Association] president, Datuk Mak Hon Kam, said in Penang that he hopes to solve the party crisis within 3 months. Several efforts are being made to ensure that the prolonged crisis comes to an end. Meanwhile, in another development, Datuk Dr Neo Yee Pan, who claimed that he is still the acting MCA president, directed the MCA Central Committee to hold a meeting in the federal capital this Tuesday [20 August] to discuss the party problem. [Text] [Kuala Lumpur Domestic Service in Malay 1230 GMT 18 Aug 85]

CSO: 4213/307

NEW ZEALAND

SEMINAR VIEWS IMPORTANCE OF EUROPE

Christchurch THE PRESS in English 1 Jul 85 p 20

[Editorial: "New Zealand and Europe"]

[Text]

A belief that New Zealand opinion had swung far enough over rejecting Europe's importance to New Zealand was expressed at a seminar on New Zealand's relations with Europe held in Wellington last week. The seminar was organised by the Institute of Policy Studies at Victoria University of Wellington and was attended by about 30 people from universities, business houses, producer boards, the Department of Tourism and Publicity, the Department of Trade and Industry, the Treasury, the Ministry of Foreign Affairs, the Prime Minister's Department, the Department of Scientific and Industrial Research, and finance houses, as well as journalists. The seminar was intended to be more of a discussion group than to reach firm policy recommendations. A number of significant ideas were put forward.

One reason why there was a somewhat negative view of Europe in New Zealand public opinion it was argued, was that after Britain had entered the European Economic Community there had been a need in New Zealand to diversify trade and for the country to concentrate on other areas of the world. Also, there was a conviction that New Zealand was fighting a rearguard action as far as access to Europe for its agricultural goods was concerned. These factors tended to make New Zealanders dismiss the importance of Europe. However, as one speaker at the seminar observed, Europe had 25 per cent to 30 per cent of the world's affluent people and New Zealand had to be interested in these people for purely economic reasons, if for no other reasons. From affluent Europeans came tourists, investment, and technology, and New Zealand's trade with Europe made up 25 per cent of New Zealand's total two-way trade.

Much of the discussion concentrated on Western Europe, particularly the countries of the European Economic Community, but there was a general disposition to regard Europe as a unit, including the countries of Eastern Europe,

and even the European part of the Soviet Union. Western Europe's willingness to have substantial trade with Eastern Europe, and the way in which Western Europeans took holidays in parts of Eastern Europe, were cited as models for the way in which New Zealanders might think about Europe. Comments were made at the seminar about the restricted nature of New Zealand's immigration programmes in the past, the main source of immigrants always having been Britain, and how this had conditional New Zealand's attitude to Europe.

The seminar considered ways in which New Zealand could enhance its trading position in Europe. One suggestion was that there ought to be an information post established by private businesses which would feed information on market opportunities in Europe back to New Zealand firms. A suggestion was made that Vienna ought to be the centre for such an effort. The question of the mastery of European languages was thought to be important. A need was seen to sharpen New Zealand's image in Europe. Some participants doubted whether this was possible at present because New Zealanders were in the process of taking more account of the Maori influences in New Zealand.

The very large proportion of New Zealand's produce which went to Britain in the 1940s, 1950s and 1960s would have meant that any discussion of Europe in those decades or earlier would have been almost solely about Britain. New Zealand's trade had to shift to other markets, and preferably to markets closer to home. But in parts of the community, at least, there is a feeling that the process of distancing New Zealand from Europe may have gone too far. Last week's discussions were an acknowledgement of Europe's continuing importance to New Zealand if this country is to remain something more than a South Pacific backwater, largely ignored by the rest of the world.

NEW ZEALAND

LAMB SALES TO EEC FALTERING

Auckland THE NEW ZEALAND HERALD in English 2 Jul 85 p 1

[Text]

New Zealand's troubled sheepmeat industry looks set for another major disappointment.

It seems certain that New Zealand lamb and mutton exports to the European Economic Community this year will be well short of the allowed 245,000 tonnes.

Sales of New Zealand lamb in Britain have continued to be weak.

The competition has included a 25 per cent increase in British lamb production in the first three months of the year and cheap pork and chicken.

Nine of the Meat Board's selling agents in Britain have stated that if the selling level of the first 17 weeks of this year continues, only 85,000 tonnes of New Zealand lamb will be sold.

The agents, closely allied to New Zealand meat and processing companies, made the comment in a report to the board.

They said that if the board's target of about 130,000 tonnes was to be met, sales would have to be 130 per cent of target for the rest of the season.

The board chairman, Mr Adam Begg, confirmed yesterday that sales in Britain had been poor in the first months of the year.

But he said sales had picked up since then and would certainly not be as low as the 85,000 tonnes the agents suggested.

Mr Begg refused to confirm that the board's target was 130,000 tonnes.

The board launched a \$1.3 million, two-and-a-half month sales drive in Britain last month.

But even its latest market report on Friday said the demand for "all meats" in Britain was poor.

It added, however, that poultry and pork continued to be in good demand at unchanged values.

A criticism of the board by the agents has been that it has pitched the price of New Zealand lamb too high.

Mr Begg confirmed yesterday that sheepmeat sales to the EEC would be short of the 245,000-tonne mark.

He said he expected them to be "over 200,000 tonnes."

The board began the present meat season last October hopeful of shipping its full voluntary restraint quota.

Mr Begg said the board came close to exporting the full quota last year.

But as EEC sheepmeat production increases under the impetus of heavy farmer subsidies, New Zealand's available market is shrinking, whatever political rights of access it may have.

It has been predicted that by 1990 Britain will need to import only 50,000 tonnes of sheepmeat, assuming that its farmers do not export any of their own product.

PHILIPPINES

LABOR MINISTER'S COMMENTS ON POSSIBLE ELECTION

HK131534 Manila BUSINESS DAY in English 13 Aug 85 p 30

[By Ramon R. Isberto]

[Text] The chances that snap elections for the presidency (and vice-presidency) will be held this November are "better than 50 percent," Labor Minister Blas F. Ople said yesterday.

Ople added that, if the opposition pushes through with its plan to file impeachment charges against President Marcos and the trial proves politically "damaging" to the administration, then the chances of snap polls will rise to 70 percent. The remaining 30 percent, he said, will be the president's element of "flexibility."

The labor minister made these remarks during the induction ceremony for the officers of the newly-established tripartite council for the semiconductor industry.

He said "quite a few of the leaders of the ruling Kilusang Bagong Lipunan [KBL] are in favor of holding the polls earlier than their scheduled dates in 1987.

Ople said an early election for these posts will likely have a "stabilizing" effect on the country's political scene. For the ruling party, victory at the polls will "strengthen its hand in dealing with the accumulated issues" in both the political and economic arena. For the opposition, such elections would give them an opportunity to test "whether the historical moment now favors a change in government."

He added that such elections would introduce a new element in the political arena--the vice-presidency. Though Ople expressed confidence that the present constitutional arrangement for succession (which names the Batasang Pambansa speaker as the presidential successor) is sufficient, he also said some KBL leaders see that mechanism as a "contrived" set-up, that may "tempt certain elements" to take advantage of monetary uncertainties.

Though he noted that President Marcos has told KBL partymen to "sleep on it," the labor minister said the proposal to hold early polls may push through,

especially if the idea is supported by the opposition, the public and "our friends the Americans."

Specualtions over snap elections have been rife ever since President Marcos raised the matter during a KBL legislative caucus 1 August. The idea was endorsed by KBL local leaders during a subsequent caucus 2 days later.

CSO: 4200/1378

PHILIPPINES

ELECTION COMMISSION SAID PREPARED TO SUPERVISE SNAP POLL

HK151007 Hong Kong AFP in English 0939 GMT 15 Aug 85

[By Roberto Coloma]

[Text] Manila, 15 August (AFP)--The Philippines' chief election official today said his office was ready to supervise a possible snap presidential poll this year and vowed to try his best to prevent fraud and violence.

By Victorino Savellano, chairman of the government's Commission on Elections (Comelec), said that he was unsure if such an election would be held, and that the decision was entirely up to parliament and President Ferdinand Marcos.

"Should there be one, we are ready," Mr Savellano told AGENCE FRANCE-PRESSE in an interview.

"We are determined to ensure free, orderly and honest elections at whatever cost to us," he said, adding that "the nation suffers if the elections are not honest and not clean."

The Comelec has long been the target of widespread popular criticism because of its alleged direct involvement in tampering with election returns in favor of the government.

The MALAYA newspaper today said the Comelec was preparing specifically for a snap poll in 1985, which the ruling New Society Movement (KBL) [Kilusang Bagong Lipunan] announced as an option after the opposition said it would file an impeachment resolution against Mr Marcos in Parliament.

The KBL, using its sheer majority, threw the resolution out yesterday in a plenary vote at the National Assembly.

Mr Savellano denied that the current hectic activity in the Comelec was aimed at a snap poll this year, but admitted having asked Comelec registrars nationwide to send confidential reports on the political and peace and order situations in their areas.

He stressed that this was aimed at the 1986 election for municipal and provincial officials and the regular presidential poll set for 1987.

Mr Savellano showed copies of two memoranda he sent the Comelec's over 1,500 election registrars on 26 June and 6 August.

The first said the two scheduled elections were nearing and "your confidential reports will prove to be invaluable especially in the areas of forecasting probable problems and planning for a political exercise."

Aside from the political and peace and order situations, the note asked registrars to report on the activities of a civilian pool guardian group, the National Citizens' Movement for Free Elections (Namfrel).

The KBL has denounced Namfrel as a secret supporter of the opposition. Namfrel supporters, including a number of U.S. officials, say it was the key factor in ensuring largely fair and orderly general elections in May 1984.

The opposition sprang a surprise win in a third of the seats contested then.

Mr Savellano said he was not sure if Namfrel would again be accredited in the next polls as the citizens' arm of the Comelec, and indicated it was possible for another group to be authorized to man the polls at the same time.

He said a Comelec survey showed that Namfrel, which is backed by the Roman Catholic Church and many businessmen, was "not neutral" in some parts of the country, echoing a charge made by KBL members.

CSO: 4200/1378

PHILIPPINES

PIMENTEL PLEDGES SUPPORT FOR OPPOSITION'S PRESIDENTIAL CANDIDATE

HK120241 Hong Kong SOUTH CHINA MORNING POST in English 12 Aug 85 p 11

[By C.K. Lau]

[Excerpt] Mr Aquino is in Hong Kong with other opposition leaders to escort Mr Raul Daza of the Liberal Party back to the Philippines.

Mr Daza is a long time critic of President Marcos. He has been in exile in the United States for 12 years and would have to face charges of murder and subversion on his return to Manila.

Mr Aquino said many opposition leaders now staying in the United States had signified their intention to go back.

"I think they are waiting for what is to be resolved after Mr Daza comes home," he said.

"Most of them face charges concocted by Marcos against them."

Mr Aquino and other opposition leaders were in Statue Square yesterday to drum up support for the opposition among Filipino domestic helpers now working in Hong Kong.

Among them was Mr Aquilino Pimentel, who is chairman of the PDP-Laban (Filipino Democratic Party-People's Power) and is one of four people now being considered by a convenor group of the opposition to field as the presidential candidate.

"I'm possibly a candidate only to bring about unification," said Mr Pimentel.

"If I'm not chosen, I will help."

Mr Pimentel said he suspected Mr Marcos was under "tremendous pressure" from the United States Government to get a new mandate from the Filipino people.

"I don't think that it is his intention (to call an early election). I think he's been under pressure."

Mr Pimentel said an opposition candidate would definitely win in a presidential election provided that only one candidate was fielded by the opposition.

"President Marcos is finished the moment he calls for elections because we intend to make the elections clean regardless of his commission on elections and regardless of the support of the military for him," he said.

The 51-year-old politician said he would try to bring back the confidence of Filipinos in their government" if he became president.

Mr Pimentel was one of a few delegates to the 1970 Filipino constitutional convention who did not sign a new constitution which gave Mr Marcos dictatorial powers.

He has been arrested by the Philippine authorities four times and is still facing charges of rebellion.

CSO: 4200/1378

PHILIPPINES

MILITARY CITES CPP DOCUMENTS ON ELECTION PLANS

HK130533 Manila BULLETIN TODAY in English 12 Aug 85 pp 1, 17

[Text] The Communist Party of the Philippines (CPP) plans to infiltrate or dominate the local governments through "selective participation" in the 1986 local elections, declassified CPP documents revealed.

Military authorities yesterday bared details of the documents seized from a couple, said to be high-ranking CPP leaders in South Cotabato.

The couple were captured in General Santos City last 24 June by intelligence operatives of the Constabulary Regional Command 11 and the National Intelligence Security Authority (NISA) regional unit.

They were identified as Elvira Canadilla, 26, whom the military tagged as secretary of the General Santos City-South Cotabato CPP Committee, with aliases Rina, Eva, Elsie, and Vangie; and her common-law husband, Rafael Quintela Jr, 27, said to be second deputy secretary of the same CPP unit.

Brig Gen Dionisio S. Tan-Gatue, PC [Philippine Constabulary] regional INP [Integrated National Police] commander, said Canadilla was politicized and convinced to join the CPP by Isidro Suedad, and ex-seminarian who became one of her college instructors.

Quintela joined the CPP after he left the major seminary in Davao City with 13 others in 1981, Tan-Gatue said.

[Word indistinct] two were married according to the CPP rites, he said.

One of the documents seized from the couple contains guidelines of the CPP Central Committee circulated to its lower organs and titled "On Question of the Elections."

The document, Tan-Gatue said, outlines the CPP's intention of infiltrating and/or dominating the local governments through "selective participation" in the coming local elections.

According to the document, the CPP sees that it needs the local governments as shields against intensified military reactions to the advance of its political and military struggle.

The party stresses that its control of the local government will facilitate their entry and expansion in new areas where they can advance guerrilla warfare, political struggle, and partisan warfare.

It said that the so-called selective participation in the polls will, however, be limited to direct participation in areas where their candidates are sure of winning or have a fair chance of winning, indirect participation, "low-key" participation (direct or indirect), active boycott or disruption by armed actions, and non-participation. [Sentence as published]

In areas where the CPP has no candidate to support, the document said the party and its military arm, the New People's Army, will launch active boycott or disrupt the elections through armed action.

Strategically, however, the CPP's primary intention is to utilize the coming elections in furthering their political and military interests, Tan-Gatue said.

He said that the election, as seen by the underground movement, would strengthen the opposition within the United Nationalist Democratic Organizations (UNIDO) and the Liberal Party (LP)-KALAW wing.

This will undoubtedly weaken or threaten the CPP or the National Democratic Front (NDF), he said.

CSO: 4200/1377

PHILIPPINES

MARCOS SPEECH AT PC-INP ANNIVERSARY PROGRAM

HK131231 Manila PHILIPPINES DAILY EXPRESS in English 9, 10, 11 Aug 85

[9 Aug 85 p 2]

["Text" of speech by President Ferdinand Marcos at Philippine Constabulary-Integrated National Police Anniversary Program at Camp Crame on 8 August 1985--Part II]

[Text] It is indeed a happy coincidence that I receive this medal from the Presidium of the Supreme Soviet of the Union of the Soviet Socialist Republics at these ceremonies marking the joint anniversary of our Philippine Constabulary and the Integrated National Police.

This award, Mr Ambassador, generously recognizes my humble and modest role in in the global war that came to a close 40 years ago. And I am profoundly grateful for the honor. For I know the historic role played by the Soviet Union which offered 20 million lives in that great war, 20 million lives as a sacrifice for the attainment of freedom against the forces that would destroy that freedom. It is indeed an honor to be identified with the great heroes of the Soviet Union. I remember this thing, the monument that has been built to the defenders of Leningrad, the monument known as the Reign of Steel [as published] where the great soldiers of the Soviet Union defended their home country against overwhelming odds for more than 1 year in order that they may ultimately recover counter attack and take back all the land that they lost to the initially victorious invaders.

Allow me to translate this in our native tongue so that our people, the 54 million people, may understand the feeling of gratitude, the emotional and deep and passionate feeling that I have for this recognition and appreciation that the Presidium of the Soviet Union has awarded me in giving me this medal.

[Following passage published in Tagalog] My fellow countrymen, my heart is filled with joy today because, in spite of the doubt of some of our former partners in the fight against intruders into our country in 1941, a country which was not very close to us nor a partner in the Second World War, the Soviet Union, and especially its highest leaders, has given recognition not only to Ferdinand Marcos, but also [word indistinct] soldiers who fought for a truly independent Filipino nation.

It is an honor to me and to all Filipinos to be included in the ranks of the known outstanding soldiers of the Soviet Union. We should never forget the symbol that the Soviet Union has offered to the Filipinos and to our country.
[end passage in Tagalog]

In presenting the distinguished medal for the first time to an Asian head of state, it seems to be that the Soviet people and government really mean to honor the role that our whole people and our country had in the winning of the war in the Pacific. It inspires and brings to mind the continuity of the common ideals for which your people and mine fought for 40 years ago.

Above all, it reminds us that when we are involved in the struggle for independence, the peace and the progress of peoples, we cannot consider the book closed with the conclusion of the days of actual fighting in the Second World War. It abides to this day when we all must continue to stand up and fight for the same ideals.

In accepting this award, therefore, I do so on behalf of our people and government, in full awareness of the work that must continue, and conscious of the fraternity of ideals that bring our peoples together.

And we would now like to extend through you, Mr Ambassador, our most profound thanks to their excellencies, Secretary-General Mikhail Gorbachev and President, and to the people and government of the Union of Soviet Socialist Republics.

This generous gesture of friendship from the Soviet Union is of more than passing meaning to this moment or rededication in our country to the cause of peace, security and progress.

It encourages us to hope that other nations will truly respect our national sovereignty and independence and not aspire to intervene in the mistaken belief that we are vulnerable and weak, being a relatively small nation.

And it helps to see in perspective the peace and security situations in our country, particularly development-wise that manifests our capability to keep order and civility in our social life and to safeguard democratic processes in our land.

[10 Aug 85 p 8]

[Text] This joint anniversary celebration of the Philippine Constabulary and the Integrated National Police underscores the importance of two institutional pillars in this task--the Philippine Constabulary and the Integrated National Police. And it accentuates the complementary character of their roles.

It may be thought, of course, by some that because of recent changes in the operational supervision and direction of the INP units, Integrated National Police, we have now affected a divorce of these two organizations, and that this will be the last time that our constables and policemen will mark their anniversaries together. This is not true. This is to distort the spirit in

which this reform has been undertaken. This reform does not diminish the cooperative relationship between the Philippine Constabulary and the Integrated National Police in the service of our republic, and which through the years has marked the role of the policemen and constables in the fight against criminality and insurgency.

So perhaps I should begin by explaining exactly what the recent change means.

What does this transfer of supervision and direction of the INP imply? It is as a measure to strengthen the active participation and involvement of our local executives in the maintenance of peace and order and in the counterinsurgency campaign that we issued Executive Order 1012 and transferred to the concerned city or municipal governments the power of "operational supervision and direction" over all units of the Integrated National Police Force stationed or assigned in their respective cities and municipalities.

Under this power of "operational supervision and direction," the local executives now have the authority to employ and deploy units or elements of the INP within their respective localities to insure public safety, the enforcement of laws, the protection of lives and properties, the prevention and suppression of crimes, and the effective maintenance of peace and order therein; the exercise of such power of authority is but just and proper because local executives have a political responsibility to the people that elected them. Under the law, especially the laws and police and the administrative code, the local executives are responsible for the maintenance of peace and order in their respective jurisdiction. It is necessary, therefore, that they actively supervise and direct their police forces to see that the latter efficiently and effectively deliver the right police service expected to them by the entire community.

However, it should be noted that the national integrated set-up has to remain pursuant to Presidential Decree No 765, as this is a decree that was promulgated in accordance with a constitutional mandate, particularly by virtue of Section 12, Article XV of the Constitution providing for the establishment of an integrated national police force."

The constitutional role of the president is that of commander-in-chief of all armed forces and it includes command control and supervision over Integrated National Police, the Constabulary as well as all that may be recruited as militia or volunteer armed forces. Executive Order No 1040, therefore, did not transfer this power of command and control to the president rather it merely ratified and confirmed an already existing power and authority under the Constitution and existing laws. But the said executive order identified the National Police Commission (Napolcom) as the agency through which the commander-in-chief would exercise administrative control and supervision, which is only part of his power of "command, control and supervision," and transferred the Napolcom from the Ministry of National Defense to the Office of the President where the Napolcom used to belong. Thus, INP matters that used to be elevated to the minister of national defense, shall, henceforth, spare the Ministry of National Defense and be brought to the Office of the President through the Napolcom. It is my intention to create a temporary and transitory office in the Office of the President which will handle these matters of supervision of the INP.

Relatedly, Executive Order No 1012, as amended, did not change the relevant provisions of Presidential Decree No 765. The head of the Integrated National Police, known to be the director-general is still the chief of Constabulary, Lt Gen Fidel Ramos, who shall exercise command functions over all integrated National Police Units and elements for the president unless the president orders otherwise.

The national character of the INP is intended to ensure the continuing professionalization of our public safety services, and the establishment of standards concerning force, size, organizational structure, personnel qualifications and discipline, equipage and facilities, ranks and salaries, operational procedures, and training. The Integrated National Police must be effectively organized and directed to be able to respond not only to local safety requirements but to national emergencies as well, particularly to the present insurgency problem in the country.

Metro Manila is something different. The Metropolitan Police Force, including the Metrocom and its subordinate district commands, will be maintained as a necessary adjunct of the integrated set-up of the Metropolitan Manila Government. It is but operationally proper that common services affecting the whole metropolis as it is the practice in all other metropolitan areas, like environmental sanitation and public safety services, must be put under the general supervision of the Metropolitan Manila Commission. I would like to emphasize here that this will not necessarily diminish the power of operational supervision and direction exercised by local executives over the INP units stationed in their respective cities or municipalities, as the objective of the metrowide and district setup is to provide common services in support of the efforts of local government to further enhance public safety, and promote public interest in general.

The present police setup therefore, evidencing both a national and local dimension, is not unique to the Philippines alone. Japan has its National Police Agency under the national government, but its component prefectural police units are supervised by the Prefectural Commission. In the United Kingdom, likewise, the administration and operation of its police system have both national and local government participation. This has to be so, because maintenance of peace and order and public safety is not only the concern in general of a national government, but the local administration as well.

Consequently, the exercise of this responsibility has to be shared properly and in a coordinated manner.

In effecting this key reform in the supervision and direction of our police forces, we are of course fundamentally concerned with reform that will improve administrative and operational effectiveness for maintaining peace and order in our local communities. We are responding to current problems as we perceive them now. And I think we are discovering that this change, along with other key reforms in the armed forces, is already a major boost to our law-enforcement efforts.

Now let me speak for a moment on the Armed Forces of the Philippines reforms.

In a broader way, we are pursuing a similar process of restructuring reform which is being implemented in the Armed Forces of the Philippines. There seems to be an impression that because we have done this very quietly, there doesn't seem to be anything moving in the matter of reforms in the Armed Forces of the Philippines.

This [is] what I gathered from some of the remarks of [the] media and even some of the decisionmakers abroad. The Regional Unified Command was established in every region to provide effective direction and control over the activities of our armed forces. Compact, highly-trained and hardhitting units have been organized and fielded in the anti-insurgency campaign. Squads, platoons, companies and even entire battalions and regiments have been revitalized and re-fitted to enhance combat-effectiveness. Administrative and service units have been streamlined. In fact some of them have been eliminated in the long line of channel of command, allowing the assignment of more military personnel to actual contact with the enemy in combat.

We realized at the start that there were more personnel engaged in servicing our combat troops than those that were actually engaged in combat. We immediately reversed this. In so doing, we have changed and transferred assignments of not only a few officers. But let me now reveal that 63 major commands in the Armed Forces of the Philippines have been changed since January of this year. We have doubled the graduates on the command and general staff school to 173. May I point out that the commanding general staff school is where the colonels come from, who are being trained and built up to generalship. These are the men who will ultimately take over the regiments [as published] the battalions, the divisions, the brigades and perhaps, the RUC.

[11 Aug 85 p 8]

[Text] In April of this year, we allowed the Armed Forces of the Philippines and the Integrated National Police to reverse the trend of cutting down appropriations and putting them into reserves. One of the reasons why we had to immobilize some of our operational units as far back as 1983 was the economic recession. The entire government had to cut back appropriations by 20 percent, including the defense establishments, and the entire Armed Forces of the Philippines, including the police and CHDF [Civilian Home Defense Force]. As you are well aware, here are 51,000 police members, policemen and policewomen, of the Integrated National Police, 5,000 firemen and 55,000 CHDF. And many of these were immobilized by the cutting down of the appropriations of the Armed Forces of the Philippines by about 20 percent. By any count, however, you cut the cake, a 20 percent reduction in appropriations cannot but weaken any armed forces.

And so upon realizing that this was one of the constraints and limitations in the reforms of our armed forces, I immediately ordered that the reserves of the armed forces amounting to P[esos] 507 million or about half a billion pesos be released by the Ministry of Budget for the purchase of necessary equipment and support of operations, logistics for individuals as well as for units. This rectifies what I have referred to as the previous decision from as far back as 1983--the cutting down of the AFP budget by 20 percent

which had the effect, I repeat, of sapping the effectiveness of our military forces, especially the Constabulary. For the Constabulary maneuver battalions had to be immobilized. At the beginning, they were the most effective units in the counterinsurgency program.

In the allocation of resources and the acquisition of logistics, the highest priority is given to providing for the needs of those assigned to field operations. "Mission-essential" equipment, combat clothing, and other individual requirements of soldiers are at the top of our shopping list.

Over the next several years we have also programmed \$100 million from the compensation for the use of Philippine military facilities and Philippine military bases by the United States for the purchase of communications, and transport equipment as well as combat helicopter.

But let me go back to the refinding of the command structure of the Armed Forces of the Philippines in which we are engaged right now. We barely started on the question of strengthening the command structure of our Armed Forces. We will not, however, commit the same error that we committed when we started retraining our armed forces to the point that we fragmented the units. All the abusive soldiers were sent to the retraining camps. We had established seven retraining camps and many of the units were under strength.

You have seen the decorations that were given today. We have awarded the highest decorations within the gift of the nation and the government--the medal for valor.

What did this mean? This meant that some of our units were fighting on a reverse ratio in a nonconventional war. It is usual for government troops to have the majority or rather to dominate the battle with the formula of 10-to-1 in the old formula, 5-to-1 in subsequent formulas that we adopted in counterinsurgency. When the entire radical groups surrendered to me in 1974, we were fighting almost on even terms.

But whatever it is, we realized immediately that in sending our troops to R and R and to the retraining camps, we have divided our forces to a point where we were dangerously under strength, to a point where an attack by 170 or 200 of these insurgents threatened the lives of all the soldiers in the small detachment.

I immediately ordered that the training be returned to in-situ or in the places where our military units were actually located. And on the question of R and R, we improved the base camps so that the families of our soldiers, instead of staying with the soldiers and becoming a burden when fighting started, would stay in the base camps where they were given the facilities, that would keep them in a pleasant atmosphere, although not too luxurious. They would be close to the soldiers who could perhaps visit them and thus attain the purposes of R and R, retain the civilities of family life and re-acquire once again the atmosphere of the soldier protecting the civilian.

To further boost the morale of the troops, we have constantly upgraded the [words indistinct]. Now let me reveal something which we have not revealed

before. Pay and allowances for enlisted personnel have been progressively raised from an average of P571 per month in 1975 to the level of P1,573 per month today.

In the six major urban centers, 3,777 housing units have been built for the members of our armed forces. We intend to continue with this housing project through the years.

This year we established a medical care program for military personnel and improved medical and dental services. These were among the causes of demoralization, but these are now within the reach of the ordinary soldier.

Last year alone, we promoted 2,728 officers along with 23,509 enlisted personnel. I am sure you are aware that only recently, in an effort to change the command structure and the command complexion of our armed forces, we elevated to the rank of general 28 senior field officers. We congratulate all of them.

Conversely, the Armed Forces of the Philippines has adopted a no-nonsense approach in dealing with military abuses and misdemeanors. You all know that Article of War 105 was amended to prescribe stiffer penalties for pertinent offenses and to authorize commanding officers to mete out stiffer punishment more expeditiously.

Under these amendments, for example, the prescribed punishment for certain prohibited acts has been extended, this is the administrative punishment that can be imposed by the immediate commanding officer, from 7 days to as much as 60 days.

During the period from August 1984 to July 1985, 1,181 personnel were either discharged or separated from the service, 231 were demoted while 177 were punished under Article of War 105.

I earlier said that training and retraining are also essential components of the overall effort to reform the armed forces. In these, as well as in the expanded troop information program, Oplan Katatagan, Oplan Tanglaw [project strength, enlightenment], and the usual Saturday troop information gathering or seminars, special emphasis is laid in inculcating respect for human rights and a genuine spirit of love and affection for our people, service to the civilian and the identification of everything that a soldier does for the national welfare and the individual interest of the ordinary citizen.

As I have already said, we are now implementing the new "insite" training for military personnel. This means we have transferred the training officers from the training camps to the combat areas.

Critiques are held immediately after combat and after battle to determine what mistakes have been committed by any unit, small or big. Small unit commanders' training, of course, has been going on for quite a while--squad, sections, platoon, company.

The training of the higher ranking officers also goes on. As we have told the 30 extended generals, they must train at least 2 replacements before we allow them to go.

As I said at the beginning, we are not going to commit the same error we committed at the beginning--fragmenting our units by suddenly changing all the commanding officers of the combat units and leaving them to untrained hands and minds. No we are going to train them right there in actual combat. And this is why we are slowly selecting the replacements of what may be irreplaceable commanders of the various combat units.

This fragmentation of units is something which was brought about by the change of tactics of the radicals when our soldiers went into R and R, and to retraining camps. Retraining, therefore, is processing alongside the upgrading of our base camps.

From our point of view, many of those we are fighting are really not ideologues or shall I be frank and say, they are not communist ideologues, they don't understand any ISM of communism. Many of them are plain outlaws and plain criminals, opportunists, who want the opportunity to use a gun so that they may impose their will on barangays.

They engage in robbery, terrorism. They call it progressive taxation. What kind of progressive taxation is this which they imposed on legitimate traders? This is not communism. As we all know, this is nothing but pure simple highway robbery, and therefore, there is no hesitation in treating them as criminals.

Beyond the immediate demands of the counter-insurgency campaign to enhance combat effectiveness, all these programs of reforms, improving troop morale and building up fire power are really meant to equip the soldier to wage war on every front. But I have time and again stressed that there is no doubting our capability to beat the enemies of our republic and defeat them decisively.

So what is the assessment of the accomplishments in counterinsurgency?

Our ceremonies here today bear witness to the effects that these reforms have had in our counterinsurgency campaign. On the one hand, we have joined together to give public recognition to several members of the service who have exemplified the PC-INP ideal of devotion to duty, honor and country. On the other hand, we have found this occasion a good opportunity to cite recent major successes in our counter-insurgency efforts, in almost every front, from Luzon to Mindanao. You have read in the newspapers and listened to reports in the radio about all those training camps being taken over by our soldiers.

Among those we have honored today are two outstanding exemplars of raw courage and true patriotism. The embodiment of the Filipino soldier. One is dead, the other is here with us today.

Pat [patrolman] Edwin Daen died, felled by bullets in his lonely and defiant almost 1-man stand against 100 insurgents who raided the townhall of Manito, Albay 9 days ago. He died clutching the Philippping national flag as a touching symbol of what he fought and died for.

But M/Sgt Isaias Silvestre Jr is with us today still recuperating from wounds he received in combat last 14 May. Ignoring the wounds he suffered during a prolonged siege on their patrol base in which he was the highest ranking officer, and therefore, in command in Calapagan, Lupan, Davao Oriental, he encouraged his men to keep on fighting until this rebel force of 170 was forced to withdraw leaving behind quite a number of them dead and wounded. When the dust of battle cleared over their base, 21 rebels were dead, a number of them, including the dreaded Commander Mortar, shot down by Silvestre himself. The casualties in the government side: 2 killed and 11 wounded. Today he carries on his head a P60,000 prize offered by the radicals, by these insurgents.

Can you imagine the temerity of these brigands offering a reward for the head of a sergeant of the Philippine Constabulary for his capture or his death? Before this, the Moro Liberation Front had already tagged him for a P150,000 reward.

Such threats would have struck fear in the hearts of ordinary people. But Master Sergeant Silvestre remains undaunted. To solicitous friends and colleagues who would remind him of such threats, he has a ready reply: "The subversives may get me in the end, but they still have to face all my other comrades, hundreds of thousands more, not only soldiers but civilian home defenders who have vowed never to run away from them."

Truer words have seldom been spoken about our soldiers and militiamen as well as our policemen. For moments of perils and crisis always bring out the best in soldiery and in all of us as a people. And we have much of this in recent months.

Our armed forces aided by civilian militia have seized the initiative from the rebels. Success has piled upon success in the counter-insurgency program. Only last week we took over the main camp of Father Balweg, a priest. Three leaders, 11 members and 350 followers were captured after a 3-week assault on rebel camps in Abra and the Abra-Benquet mountain province boundary. Two of them, of course, have been identified as belonging to the group led by renegade priest Conrado Balweg while the others operated under Bruno Ortega, another priest who is a contemporary of Balweg.

In Barangay Kalapakan, Initao, Misamis Oriental there have been clashes there with the elements of the 53rd Infantry Battalion. Casualties on the enemy side were estimated to be about 20. Three days earlier 10 of the enemies were killed by a team of the same companies from the Second Army Scout Ranger Battalion in Barangay Bunal, Lagonglong, again in Misamis Oriental. Of course, we had suffered casualties, 2nd Lt Antonio Gimaya. I want you to note his name because he died. He died with another soldier in these encounters with two separate groups of rebels.

Again, recently in Bunawan, Agusan del Sur, seven rebels including their leader identified as the ferocious Commander Harabas were killed, this time by policemen manning a checkpoint. [Word indistinct] were no casualties on our side.

But this will start to get boring if I keep up this this statement. So while we could go on continuously on the recent successes of the armed forces and the

Integrated National Police in their stepped-up campaign against insurgency, I think the point is clear that the initiative is now in the hands of the Armed Forces of the Philippines. Where the enemies republic initiated as much as 80 percent of the recorded incidents in a given year, now this has been reversed. Our troopers initiate 600 [figure as published] percent of the recent encounters. What is ever more encouraging is that we have turned the casualty ratio around from 11-to-10 in January to May 1983 to 71-10 in June during the first 5 months of this year. And the ratio has gone up to 5-to-1 in incidents initiated by our troopers.

Now we don't speak of this braggingly. We speak of this painfully because we do not feel happy in killing our own country men. However, for the rebels and their leaders to brag about attaining a strategic stalemate is to engage in wishful thinking a fantasy that is all of a piece with their promise of a good life. Such claims are belied even by rebel leaders who are now in military custody.

As you are well aware, the organizer of the New People's Army, Commander Bernabe Buscayno alias Commander Dante, is in jail. We captured him. We have captured also Jose Maria Sison who organized the new Communist Party of the Philippines. We have captured 19 of the members of the Central Committee. Interrogation of many of these people indicate that they don't understand communism or Marxism, that many of them are plain criminals and brigands. Diong Abeden, a leader of the NPA who was captured in a rebel camp near the Abra-Benquet boundary, has confessed that disillusionment has crept into the ranks of the members and supporters because of many things, unfulfilled promises, and the fact that sometimes their leaders shoot the wounded members of their gang when they can no longer be saved. Another recently captured dissident leader complained that all they did prior to his capture was "eat, sleep and run from government forces."

All these indicate that in the next few months, we will keep the rebels running until we run them to the ground.

This is not an empty threat nor an idle boast. For now more than ever, we have men in our Armed Forces who are committed and determined to put an end to insurgency once and for all. We have in place sweeping reforms in the entire military and police organizations, sustained support from civilian authorities, both on the national and local levels, and above all the cooperation and encouragement given to our people in their initiatives and efforts.

So we meet today truly in solemn and proud commemoration of PC-INP Day.

Once again, I command and congratulate all those who have been given the symbols of efficiency, service, daring and courage--the Medal of Valor and the Medals of Service, the Medal of Courage--and join hands with our people, 54 million Filipinos, express to you their appreciation for your service to our country and people. Continue the good work. We pledge ourselves to the defense and security of our nation, to the strengthening of our people's confidence in our institution.

Much is asked of every citizen but more is demanded of the soldier whether he is in the Armed Forces of the Philippines regular service, the Constabulary, or the Integrated National Police, or the Civilian Home Defense Service, or other militia units. Of course, you and I know that the least that are expected of us is that we serve our people faithfully in deeping with our oath as the warriors of our people. For if each and every one of us would commit himself fully to the performance of that duty and even beyond, for that is the habit and tradition of the Filipino soldier, I can assure you that we shall have won more than half of the battle not only against insurgency but against the many ills of our society which the Filipino ideology seeks to change.

Once again, as your commander-in-chief, as the president of the New Republic, I stand before you to congratulate you. I salute you and say, "Well done, soldier. Keep it up."

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PHILIPPINES

VERITAS REPORTS ON MNLF PRESS BRIEFING

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[4 Aug 85 p 13]

[Article by Senior Correspondent Carolyn O. Arguillas: "The MNLF is Alive and Well--in a Press Conference Somewhere in Maguindanao, Ranking Members of the MNLF Reveal New Tactics and Plans"--Part 1]

[Text] Notwithstanding official pronouncements that the rebellion in the South, caused by the then secessionist Moro National Liberation Front, (MNLF) was quelled after the government reportedly complied with the Tripoli agreement of 1976 by granting autonomy to two muslim-dominated regions--9 and 12--high ranking military officers assigned in Mindanao continue to refer to the MNLF problem as "down but not necessarily out." One officer even warned that the MNLF issue is "a dormant volcano that may soon erupt if government does not exert serious efforts to make good its promises."

The warning is well taken in the light of the resurgence of the MNLF as another force to contend with (the other is the NDF [National Democratic Front]-CPP [Communist Party of the Philippines]-NPA), the three factions under it notwithstanding: The Nur Misuari faction which is for secession; the Hashim Salamat faction which is for autonomy and which has recently changed its name to Moro Islamic Liberation Front; (MILF) and the MNLF reformist group, also for autonomy, which held an unprecedented 7000-strong National Moro Conference last week. All three factions, however, are united by one goal; the implementation of the Tripoli Agreement of 1976.

The Tripoli Agreement, it may be recalled, provided what government refers to as the solution to the problem, but which, in light of present circumstances, has been branded by the MNLF factions as a problem warranting a solution. The agreement originally provided for autonomy for the Muslims in Southern Philippines, to include Basilan, Sulu, Tawi-Tawi, Zamboanga del Sur, Zamboanga del Norte, North Cotabato, Maguindanao, Sultan Kudarat, Lanao del Norte, Lanao del Sur, Davao del Sur, South Cotabato, Palawan.

When Marcos issued President Decree 1628 in 1977, he created two autonomous regions--9 and 12, which, criticized for being a "farce" autonomy, do not include Davao del Sur, South Cotabato and Palawan. Marcos' ready answer then

was that it was the will of the people that only the 10 provinces are included since a referendum was held, a move again questioned by the MNLF. Nonetheless, the government announced that peace had been restored. One daily, however, said in its editorial in 1977 that "it was at best a modest triumph under the circumstances. Peace with honour--no matter how brief it will last--has been achieved."

Nothing much was heard about the MNLF after that, except newspaper announcements that it had split into three factions. Meanwhile, the other force--the NPAS, took the centerstage.

With the reported homecoming of the three factions' chairmen, and in the light of the recent press conference held by the MNLF reformist group, political analysts say it is only a matter of time.

Added to this are reports of a possible MNLF-NDF tie-up, which although claimed to have been [word indistinct], requires only the procedure of formality. Emis-saries have reportedly been sent from the NDF camp to the other and so far the only official stand of the MNLF party is that "the enemy of our enemy is our best friend, and the friend of our enemy is our enemy."

The height of the Muslim rebellion reportedly cost the government about US\$150,000 per day, scores of soldiers' lives every week and rendered some 60,000 civilian, rebel and military casualties.

Now that the MNLF is again making its presence felt and is determined to fight for their demands through the negotiating table or through armed struggle, the question most observers here ask is: can the government cope?

One of the heavily-armed men sang as the long line of troops negotiated the trail from the "liberated area" to a campsite in the hinterlands. No, they were not soldiers, nor members of the New People's Army, but fully-armed regulars of the Moro National Liberation Front (MNLF) reformist Group.

Most of them had to walk for days through the thick jungle of Maguindanao. At least 7,000 of them--members of the regular army, zone commanders, provincial Revolutionary Committee chairmen, members of the Executive Council, traditional and religious leaders, other sectoral representatives from 13 provinces--trooped to a secluded area in the Maguindanao hinterlands unnoticed by government troops, for the unprecedented National Moro Conference last 20-30 July. The purpose: "To strengthen the unity and solidarity of the MNLF reformist, attempt to unite the three MNLF factions, and to program the political and economic aspects of the revolution."

Said Commander Carlos, spokesman and confidential secretary to Reformist Group Chairman Datu Dimas Pundata Al-Haj (now reportedly in Pakistan): "We recognize that unity is another problem of a revolutionary liberation movement but we are committed to the task of uniting our people from the different sectors, not only of factions of the MNLF but the entire Bangsa Moro people. Unity is an indispensable condition sine qua non to the victory of our glorious revolution."

Admitting that they have the same objective as the MILF, the same objective as the MNLF Reformist say they only differ in theories and strategies. But MILF and Misuari's faction were represented in the conference as observers, the commanders added.

"Nur Misuari's secessionist stand is unreasonable and unrealistic. Real autonomy for us is the only reasonable and realistic solution to our problems," said Commander Dante, chairman of the North Kutawat Revolutionary Committee, and chairman of the First National Moro Conference.

While it admittedly has "achieved some form of assistance from foreign governments and other international organizations sympathetic to the noble and sacred cause of our people, remember that the victory of our revolution is in the hands of our people. It is the responsibility of the Bangsa Moro people to free and liberate themselves, and as much as possible, not rely on outside assistance," Commander Carlos said in his address to the delegates from Basilan, Tawi-Tawi, Sulu, Zamboanga del Sur, Zamboanga del Norte, Lanao del Sur, Lanao del Norte, North Cotabato, South Cotabato Maguinadanao, Sultan Kudarat, Davao Sur and Palawan.

"All we want is compliance with the provisions of the Tripoli Agreement of 1976," the commanders told VERITAS, "But what did Marcos do? He proclaimed 'autonomous' Regions 9 and 12, which do not include Palawan, South Cotabato and Davao del Sur, in violation of the agreement. Then Marcos says it was the will of the people because it was coursed through a plebiscite. The plebiscite was a farce."

Commander Narra Abdul Jabbar, Zone III Commander of the Davao Sur Revolutionary Commander likens Marcos' proclamation of autonomous Regions 9 and 12 "a black propaganda from the enemy of the people so as to show to the world that the government has complied with the Tripoli Agreement."

The Reformist Group's Political Officer, Hajji Nur, however, said that they will be grateful to Marcos if their problem can be solved during his term of office. "If Marcos cannot, then his name will be found in the dustbin of history."

Counting some 15,000 regular armed forces, the number, Narra says, does not include the militia. The weapons carried by the delegates and which they used during drills and exercises at the conference site include an array of M-14, M-16 armalites, M-60 machine guns, cal .30 machine guns, AR15, AR18, M-203, M-79 grenade launchers, AK47, carbines, garrands, BARs, SIG machine guns, .50 cal, B-40 anti-tank, 81mm mortar, 60mm mortar, FAL, G-1, .45, .38, .357 Magnum and homemade M79s.

Armed with these sophisticated weapons and fired with determination, the MNLF Reformist Group said it is confident it will win the struggle, along with the other factions.

"Victory or to the Graveyard," they shouted, "anything in between, the struggle must continue."

[11 Aug 85 p 12]

[Article by Senior Correspondent Carolyn O. Arguillas: "The Struggle Must Continue--MNLF Conference Part 2"]

[Text] One would think the armed men were members of the Civilian Home Defense Force (CHDF)--an indispensable presence in Mindanao towns--but this was a "liberated area," so the guide told a VERITAS team which flew to the area recently. The few members of the CHDF freely mingled with the civilians... and the rebels of the Moro National Liberation Front (MNLF) Reformist Group.

There were rebels everywhere--in the mosque, the stores, the town hall, the houses--all armed with armalites, AK47s, grenade launchers and other weapons. This was the area, guide said, where some of the 7,000 delegates to the unprecedented National Moro Conference on 20 to 30 July were billeted. Each household was host to a number of rebels, depending on the size of the house. The rest stayed in camp.

Children, women, the men, the old folks in their malong, went on with their usual chores [word indistinct] mindful of the presence of the rebels. A civilian told VERITAS they welcomed the holding of the conference there because it was for the cause of the Bangsa Moro people. But it also was economically beneficial for them because the goods in their stores, and the food from the "carinderias" that have sprouted mainly for the conference, were disposed of easily. "When they leave, there will be little business," the civilian added.

At the conference site, cigarettes, warm soft drinks, candies and biscuits were being sold in makeshift stalls. Nearby, a handful of women in traditional Moro dress--some of them wives of commanders--were in a huddle. A few meters away was the wooden structure where the conference was being held.

Inside, the delegates from the 13 provinces, 12 in Mindanao and Palawan in Luzon, took turns in pointing out the provisions of the Tripoli Agreement of 1976 which they felt were violated by the government. The delegates spoke in the dialect but translated the same to English for the benefit of the members of the press. They had come for an important task: "to unify their ranks, unify the factions, and prepare for the political and economic aspects of the revolution.

At each prayer time, they would invoke the help of Allah to guide them through the conference, lead them to safety as they walk back to their areas across the boundaries, and more importantly, to help them win the struggle.

Allahu Akbar! they chorused, ending the call with "Victory or to the Graveyard."

"Never mind if we lost about 60,000 people," a commander told VERITAS, "for as long as we are not free, we shall continue with our struggle. We feel betrayed by the government. If we cannot live decently because our rights as a people are trampled on, we might as well die decently--for the cause of liberating our people."

"True, the government granted autonomy to two regions--9 and 12," Commander Narra, Zone III Commander of the Ranao Sur Revolutionary Committee (RSRC) said, "but it was like a can. When you open it, it's empty. Comdr Mike Iqra, chairman of the RSRC, Executive Council member and university professor until he joined the rebels 10 years ago, stressed on the need to strengthen their ranks to win the struggle. VERITAS' guide, who turned out to be one Cmdr Carlos Al-Haj, spokesman and confidential secretary of Reformist Group Chairman Datu Dimas Pundato assailed the "commercialism" of the surrenderees and returnees. "All of us are aware of the fact that most of those photographed as 'surrenderees' were not members of the MNLF. It was simply a propaganda on the part of the government."

Commander Dante, chairman of the North Kutawato Revolutionary Committee (NKRC) related that of those real rebels who surrendered, most "were duped into returning to the folds of the law, with promises of land, scholarships and employment."

"Unlike the NPAs," the commanders added, "we do not entertain fears that those who surrendered or returned would turn up against us. The government should stop calling them commanders because they have already abandoned our cause and are therefore not members of the MNLF. They have joined the enemy, some have even enriched themselves, but they claim that they are working with the enemy for the benefit of our brother Muslims. You see, the worst crime that a Muslim can do to another Muslim is to do injustice to him. Allah will not permit that."

At one breaktime, Commander Arullah, chairman of the Expeditionary Forces and brother of Chairman Pundato told VERITAS it was his first time to be photographed and to meet with the press. "I only realized the importance of the press when I saw the movie 'Under Fire.'" While others may think that these rebels are out of touch with reality since they are practically in the jungles everyday, modern technology has its way of telling them what's happening beyond the jungle; through radios, cassette recorders, and occasionally, newspapers and magazines.

At another breaktime, the commanders showed VERITAS the different kinds of weapons they use, identifying each and discussing its merits. When the Magnum .357 was presented, they engaged in a lengthy discussion/lecture on why it could not be possible that a bullet from a .357 magnum could have killed Senator Aquino.

"Don't you think the government is just wasting money, time and effort on the Sandiganbayan trial? After all, everybody knows it was not Galman who killed Aquino," they added. "The government should address itself to the more immediate problems of the people, convince us that it is sincere in granting us autonomy in conformity with the Tripoli Agreement, convince us that we are really on the road to economic recovery by bringing back to the country all the dollars they have salted abroad, and not spend too much money, time and effort in convincing the people of the Philippines that the military did not kill Ninoy."

PHILIPPINES

NEW INTERNAL SECURITY MINISTRY CONSIDERED

HK121609 Manila BULLETIN TODAY in English 12 Aug 85 pp 1, 13

[By Jose De Vera]

[Text] The creation of a new ministry to oversee the enforcement of laws on peace and order and internal security of the country is seriously being studied by authorities concerned with public safety.

Sources said yesterday the ministries of national defense and of local governments, and the National Police Commission (Napolcom) under the Office of the President are studying the feasibility of setting up a Ministry of Public Safety, similar to the defunct Department of Interior.

The new ministry, sources said, will have a bureau which will integrate the Constabulary and Integrated National Police, including firefighting units, into a "National Police" as called for in the Constitution.

Under this setup, the PC (Philippine Constabulary), one of the major service commands of the Armed Forces of the Philippines, would be divorced entirely from the Ministry of Defense, particularly from the AFP [Armed Forces of the Philippines].

A source in the study group hinted that Napolcom would likely form the nucleus of the new ministry.

During the commonwealth period when the PC was the nucleus of the Philippine Ground Force, now the AFP, the PC as a "national or insular police" was made part of the PGF but its administrative, supervisory, and directional control was handled by the Department of the Interior. The PC was then called "Constabulary Division."

The PC was thus treated as a bureau under the then Department of the Interior. In case of emergency, as what had happened at the outbreak of World War II, on 8 December 1941, the PC was automatically absorbed by the PGF, now the Philippine Army, under the Department of National Defense.

After the war, the PC was reactivated as Bureau of Constabulary under the Department of the Interior. It has since remained as the "National Police" up to the present under the Defense Department now the Ministry of Defense, as a major service of the AFP.

The three other major AFP services are the army, air force, and navy.

The study group, sources said, recalled that several attempts have been made to separate the PC from the AFP. However, these were blocked by problems arising from the use of armaments, military hardware, and other equipment by the PC.

Most of these military hardware and equipment were the PC's share of the entire package of U.S. military assistance to the AFP under the Ministry Assistance Pact (MAP), the sources said.

If it were removed from AFP, the PC loses its share of U.S. military aid.

CSO: 4200/1377

PHILIPPINES

'SOURCES' SAY MISUSE OF HELICOPTERS AIDS NPA RAIDS

HK141525 Manila BULLETIN TODAY in English 14 Aug 85 pp 1, 15

[By Jose De Vera]

[Text] Misuse of air force helicopters by field commanders to whom they are operationally assigned has contributed to successful raids by New People's Army (NPA) rebels on remote military and paramilitary detachments and townhalls, sources said yesterday.

This information surfaced after helicopter pilots reportedly complained against their being used as "mere taxi drivers" when their choppers are sent out to ferry visiting personalities, instead of transporting members of "quick reaction forces" to intercept or "vertically envelop" attacking NPA rebels.

Under the present Regional Unified Command (RUC) set-up, the PC-INP [Philippine Constabulary-Integrated National Police] Regional Command chiefs are under the RUC commanders. The air force chief assigns at least two helicopters for tactical and operational use of RUC commanders in the counter-insurgency drive.

When more helicopters are needed to ferry combat troops to beleaguered military posts, stations, or detachments, aircraft detailed in neighboring RUC can be borrowed for reinforcement, sources explained.

Under this arrangement, a senior air force officer from the Composite Air Strike Force (CASF) is detailed with the RUC-based helicopters to assist the RUC commander in determining the proper utilization of the aircraft.

However, sources said, in many cases, visiting VIPs are given priority in the use of the helicopters, over the transport of troops and equipment to battle areas, to the disappointment of the young helicopter pilots.

Pilots resenting their use as "shuttle pilots" sometimes claim the aircraft lacks aviation gas or has minor defects that needed repair.

[Air] force sources said this complaint of lack of aviation gas for PAF [Philippine Air Force] aircraft and lack of gas fuel for motor vehicles of ground troops was solved when the president ordered recently the release of P[pesos]500 million and savings for unlimited use of the armed forces in the combat against the rebels.

The president also directed the Philippine National Oil Co to provide the AFP [Armed Forces of the Philippines] with fuel.

The sources said helicopter pilots have cited incidents when the misuse of helicopters have proved disastrous to the AFP's drive against the NPA.

In Guinayangan, Quezon last 24 November, a helicopter was sent to ferry combat troops for "vertical envelopment" of NPA rebels overrunning a military camp. The helicopter could not be made available immediately because it was allegedly being used by an officer who was visiting his fishpond in the area.

In another case, some 200 to 300 NPAs came in on 12 commandeered logging trucks and raided an army camp in Lianga, Diatongon, Surigao del Sur, last 3 November. The rebels burned bridges and staged the attack for more than 3 hours, killing 14 soldiers but leaving behind them 32 dead comrades.

The military commander of the besieged army camp called for reinforcements but the reinforcing group could not reach the place in time because of the blown down bridges. The standby helicopters in an area some 20 minutes air-ride away could have brought in reinforcements. However, they failed because there was no aviation gas available.

CSO: 4200/1377

PHILIPPINES

DAVAO, SAMAR PEOPLE FIGHT NPA TAX COLLECTORS

HK130115 Quezon City Maharlike Broadcasting System in English 0100 GMT
12 Aug 85

["Analysis of the News" by Teodoro Valencia]

[Text] Some members of the armed forces have said that they cannot contain insurgency by military force alone, that the people must be involved, that the cooperation of the ordinary citizens has been necessary to bring about peace and order in the community. This was proved in Davao City; now that more people are involved in peace-keeping in Davao City, the City of Davao has once again become livable, and many of the bad elements which used to terrorize the people are no longer there.

But the more dramatic change happened in Samar provinces. You know, in Samar, there was a time when you could have assigned 10 battalion combat teams and nothing could have happened because the majority of the people were with the NPA, and government forces had found themselves alone in isolation from the community. Recently, according to Deputy Prime Minister Rono, there were many incidents in Samar that gave rise to a change, and in that case of atmosphere. In one instance, when members of the New People's Army were trying to tax a village, they would send two people to collect, [words indistinct]. You know what happened? The villagers killed one of the two, and wounded the other. After a while, five people were in another village. This time, they killed three and captured two, and took over all their weaponry.

In a third incident, this is more dramatic. When a group of NPA's went to a village to collect the taxes, almost due and current, one of the villagers refused to pay and in the ensuing melee, he killed one of the members of the NPA group who happened to be his own brother. And the story dramatized the picture all over Samar, for today, Samar is one place which is under study by foreigners. Many people from neighboring countries in Southeast Asia, some Americans, some Germans, some people from Central America are studying what ever happened in Samar in the last few months. Here is an example, a very dramatic example of a province usually at the tender mercies of the rebel forces or the communists. The people were with them. They were against their own armed forces. But because of the taxation measures attempted by the rebels, the people fought back, so that today, they found out they are better off by paying taxes only to the government, and in return, getting protection from the members of our armed forces. But they don't stop there. They are out to help the government do what must be done to ensure their peace and their continued production under conditions of tranquility.

PHILIPPINES

CENTRAL BANK TO ALLOW REMITTANCES ON FOREIGN LOAN INTEREST

HK100112 Manila BUSINESS DAY in English 9 Aug 85 p 2

[By Rigoberto D. Tiglao]

[Text] The Central Bank [CB] will lift its existing restrictions on the remittance of interest payments on foreign loans and will start paying non-trade arrears next week following the release of the first \$400-million portion of the new money facility from the country's creditor banks.

Sources in the international banking community said the International Advisory Committee of the country's largest creditor banks, which has been meeting with CB governor Jose B. Fernandez Jr since the start of the week, will approve the release of the first tranche today. The CB, which is incurring the debt, will be able to draw the first \$400-million tranche as soon as it [word indistinct] the facility fee for the credit line--0.5 percent of the amount of each tranche--amounting to \$2 million for the first drawdown.

CB officials also explained that under the intricate conditions for the facility, the recent declaration of the 5 August effectivity date of the \$2.9-billion revolving trade facility was actually one of the "prior conditions" for the extension of the first tranche of the new money facility.

Sources in the international banking community explained that the lifting of the restrictions on interest payment remittances is a government commitment both to the creditor banks and to the International Monetary Fund (IMF). Since the start of the moratorium on the country's debt payments in October 1983, the CB has adopted a policy--laid down through Memorandum to Authorized Agent Banks (MAAB) No 41--of delaying due interest payments by an average of 75 days, and has done so by announcing when it will allow the remittance of interest payments. The last CB notice for this purpose was made 2 August, covering interest payments which fell due on or before 30 June.

The country is required under the terms of the new money facility to keep its interest payments current, which means that as soon as the facility becomes effective, interest payments will be paid as soon as they fall due or else the country will risk a "default condition" that could result in the suspension of both the new syndicated loan and the revolving trade facility.

BUSINESS DAY sources claimed that the Monetary Board, the CB's policy-making body, is expected to rescind MAAB No 41 in its meeting today. A new regulation will be issued reinstituting the pre-moratorium scheme whereby interest payments on foreign loans may be remitted by banks to foreign creditors as soon as the interest charges fall due.

On the other hand, the CB is expected to authorize commercial banks to sell foreign exchange for the remittance of non-trade arrears and charges, such as those involving unremitted profits and royalty payments, shipping and airline revenues from local ticket sales and insurance premiums.

A large portion of the arrears actually had been converted into dollar denominated CB certificates of indebtedness (CBCIS), which stipulate that they will be redeemed at any time before the year ends, at the CB's option. These CBCIS are expected to be redemmed on a staggered basis, starting right after the drawdown on the new money facility. Prime Minister Cesar Virata had said that out of the first \$400-million tranche of the new money facility, \$250 will be used for settling interest arrears to the banks while the rest will be used to pay the country's "other arrears."

There are those in the banking community who expect a surge in demand for dollars, which could put pressure on the exchange rate, as soon as the CB lifts the restrictions on foreign exchange payments for interest and non-trade charges. Interest payments on foreign loans are estimated to amount to \$200 million monthly.

The Advisory Committee is also expected to approve the three "master" restructuring documents that will allow the country's over 400 bank creditors to start talks for the signing of individual restructuring agreements with local borrowers. The master documents represent the model agreements for the restructuring of the three types of Philippine obligations to the banks: debts of the government and its corporations, debts of private financial institutions and debts of private corporations.

The country is under pressure to complete the restructuring agreements for public sector debts since the country can draw on the last \$350-million tranche of the new commercial loan only if restructuring agreements covering at least 75 percent of public sector debts are signed by 15 November. CB officials explained that procedures worked out with the Advisory Committee will speed up the signing of loan documents for these debts.

CSO: 4200/1378

PHILIPPINES

ECONOMIC OFFICIAL SAYS INCOMES IMPROVING

HK121552 Manila METRO MANILA TIMES in English 11 Aug 85 pp 1, 5

[Text] There has been a continuing improvement in people's incomes and in their standards of living over the past 2 decades, this was reported yesterday to President Marcos by Economic Planning Minister Vicente B. Valdepenas, Jr.

In a review of income trends in the country, Valdepenas said there had been a "marked improvement in the average annual incomes of both rural and urban households" since 1965.

For instance, he said, legislated minimum wages of agricultural workers rose 12 times from [peso]3.50 a day in 1965 to P46.67 in 1985.

At the same time, wages of industrial workers increased eight-and-a-half times from P6 per day to P57 in the same period.

Valdepenas said the increases in people's incomes had generally kept pace with increases in prices of prime commodities.

He said prices in the country, as in most other countries, increased substantially since the first oil crisis of 1973-74 when petroleum prices averaging \$2.06 per barrel more than quadrupled to \$12 per barrel.

The second oil crunch in 1979-80 further hiked petroleum prices to an average of \$32 barrel, increasing consumer prices, particularly in oil-importing countries, Valdepenas said.

Valdepenas said since the country still imports more than half of its petroleum requirements, the effects of the two energy crisis on the economy had been "very serious."

"One of the most adverse effects of the energy crisis on the country was the serious inflation that hurt both local consumers and producers of goods and services," Valdepenas said.

According to the economic planning minister, inflation in 1984 averaged 50.3 percent for the whole year, the highest in the country's postwar history.

However, the rate of price increases has been effectively arrested during the first 7 months of this year, he added.

Quoting from the consumer price index report for July, Valdepenas said the inflation rate was down to 18.8 percent, showing a continuing decline in inflation rate since November.

By the end of the year, Valdepenas said, the inflation rate is projected to further decline by 10 percent or below.

He pointed out that containing inflation was crucial to the country's economic recovery program because a low inflation rate in theory would mean more savings and investments in the country.

At the same time, Valdepenas said, putting inflation under control will spur greater economic activity that in turn will generate more job opportunities.

CSO: 4200/1378

PHILIPPINES

IMF URGES MANILA TO IMPROVE EXPORT PERFORMANCE

HK140535 Manila METRO MANILA TIMES in English 13 Aug 85 pp 12, 11

[Text] The International Monetary Fund (IMF) has told the Philippine Government that "all efforts," including measures concerning the peso-dollar exchange rate, must be made to improve the country's export performance this year.

Hubert Neiss, IMF Asian Department deputy director, told a government panel headed by Prime Minister Cesar Virata last month in Tokyo that the export sector must be primed to generate more earnings to help meet the country's balance of payments (BOP) goal this year.

Exports during the first 6 months of the year fell short of targets and dropped by 11 percent from comparative 1984 levels, prompting Economic Planning Minister Vicente Valdepenas to warn that an unchecked export slide could affect the country's ability to pay its foreign debts.

Neiss, in a statement during the Consultative Meeting in Tokyo, said: "In the balance of payments, while the gradual restoration of Central Bank reserves has been facilitated by the buoyancy in non-trade receipts, all efforts must be made to improve export performance that has been considerably less favorable than envisaged in the economic program.

"While export performance in the first half of 1985 was adversely affected by several external factors, domestic policies must be directed more vigorously towards export promotion. Exchange rate policy will have to play a major role in this process."

The IMF had been pressing for further depreciation of the peso to reflect its true value and to make exports more competitive.

Computations made last year by the government and the IMF on how much would be generated in revenues this year were based on an exchange rate of about P23 to a dollar. The peso, so far, has resisted further depreciation and has remained under the P19 mark for months.

The peso is now on a free float which is supposed to let the currency seek its true market rate.

The tight credit policy pursued by the government largely through the sale of high-yielding government securities may have artificially supported the peso by dampening the demand for dollars and controlling the availability of peso funds.

Neiss added that economic growth could not be sustained by easing financial policies unless economic reforms in key areas were taken in tandem to create the proper atmosphere conducive to business.

In general, he said, these reforms would entail measures that would raise domestic savings mobilization, improve productivity in agriculture, and restore the soundness of the financial system.

In the case of domestic resource mobilization, Neiss said tax reforms should be taken to improve tax collection which would finance sustained growth.

In agriculture, he said the "substantive measures" which need to be taken by the government to prop up the sector have yet to be made. These proposed measures have to do with increasing competition in domestic and foreign trading for sugar and coconut, and improving productivity in these sub-sectors in the medium-term.

In the process of strengthening the financial system, Neiss said a "fundamental restructuring of the principal government institutions, the Philippine National Bank and the Development Bank of the Philippines, as well as a realistic arrangement to ensure an orderly settlement of the large projected cash deficits of these institutions are now urgently required.

CSO: 4200/1378

PHILIPPINES

MANILA REVIEWING IMPORT TARIFF SYSTEM

HK121554 Manila BUSINESS DAY in English 12 Aug 85 p 2

[Text] A thorough review of the country's tariff system is now being undertaken by the government in preparation for the liberalization of imports set to be completed by the end of this year.

Trade and Industry Minister Roberto V. Ongpin said over the weekend the review is being undertaken to correct inherent weaknesses such as the determination of the home consumption value (HCV) of imports.

(The home consumption value is the retail price of an imported article in its home country. The HCV is usually determined through consular, commercial, trade or sales invoices. The constant changes in the HCV and the difficulty of regularly monitoring the HCVs of various articles imported has made the values' determination extremely complicated. Often the Bureau of Customs fails to update its customs valuation circular making HCV a frequent subject of dispute between customs personnel and importers.)

Ongpin said that in the case of the HCV, the system has proved to be difficult to enforce due to differences in conditions prevailing in the home countries. He hinted that the government is considering scrapping such a system in favor of a more effective and relevant one.

Ongpin also allayed the fears of businessmen about the further liberalization of imports and the reduction of tariff, saying these moves, in the long term, will benefit consumers and strengthen industries.

"Even if we liberalize (imports)," Ongpin emphasized, "we will ensure that adequate tariff protection are extended to local manufacturers." He added that in liberalizing imports, the government is aware of the concerns of businessmen.

He said studies are being undertaken at the moment to determine the level of tariff protection that has to be maintained to ensure there is enough protection for local manufacturers.

Explaining the rationale behind the need for tariff and import liberalization, Ongpin said the Philippines, for a time, had the highest tariff level in the region.

He said the government is certainly not considering tariff reductions without due consideration of industries' conditions. He said the entire program seeks to reduce tariff to a more reasonable level.

He said the Philippines started tariff and import liberalization in 1980 with assistance from the World Bank through a Structural Adjustment Loan (SAL) of \$502.3 million. The program was supposed to be completed this year.

Prior to the program, the Philippines had an average statutory ceiling on tariffs of about 47 percent. At that time, the country had tariffs as high as 70 percent to 100 percent for some items.

"At the end of this year, we intend to reduce this level to 28 percent," Ongpin said. He added that even with such a reduction, the overall level of tariff in the country would still be higher than in other countries in the region. He said many countries have average tariff levels of less than 20 percent.

"It is time we give the consumers a break. There is no point in continuing a form of subsidy to industry. Industry will have to reduce the cost of its inefficiency," Ongpin said.

At the same time, the government, Ongpin said will continue to maintain tariffs for items which traditionally have been subjected to controls. These include imports mainly restricted for security and other reasons.

Also not covered by the tariff and import liberalization are specialized programs of the government such as the progressive manufacturing programs under the Board of Investments (BOI).

The Philippines has had to defer the implementation of the liberalization program beginning the end of 1983 through 1984 in view of the foreign exchange crisis.

Ongpin's view on import and tariff liberalization is the first government statement made on the matter. The issue had, in recent weeks, sparked much discussion and concern among businessmen.

Leading business leaders, including Felix K. Maramba Jr, president of the Philippine Chamber of Commerce and Industry (PCCI), had cautioned the government against indiscriminate application of the liberalization plan on industries that cannot face up to competition yet as a result of the setbacks encountered during the economic crisis.

Raul T. Conceptcion, chairman of the Balance of Payments Task Force, noted that haphazard implementation of the program could once again debilitate the economy and worsen the country's balance of payments position.

Many businessmen see the government haste in reducing tariff and liberalizing imports this year as prompted by pressures from international multilateral institutions such as the World Bank and the International Monetary Fund (IMF). In its haste, businessmen complain that the government did not take into consideration the adverse conditions already faced by industry today even without the import and tariff revisions.

Immediately opening up the local market to imports would further delay the recovery of industry, they warn. For some sectors, recovery might no longer be feasible if such a program is adopted beginning next year, others say.

Businessmen note that since the program has already been delayed for two years, the government should convince the World Bank and IMF to extend the period for the gradual reduction of tariff and removal of import controls by another 2 years.

The 2-year delay, they say, is now forcing the government to accelerate the program to the detriment of industry. A gradual reduction should still be considered by the government, businessmen urge.

The sentiments of the business community is shared by some senior government trade officials who note in private conversations that were it not for the SAL loan given by the World Bank to the Philippines, the country need not have to go through such rapid liberalization.

Concepcion's task force has scheduled a meeting today at the Manila Garden Hotel, expected to be attended by some 300 business and industry leaders, to discuss the impact of the import liberalization program.

The task force noted that while the general consensus of its members is that they are not against import liberalization, many believe the government should postpone the program.

Members noted that domestic-oriented industries are currently operating way below their capacity levels due to weak market demand for their products.

Concepcion also said the liberalization of imports goes contrary to government pronouncements that 'we must live within our means and use our foreign exchange earnings judiciously for raw material importations needed by local industries.'

CSO: 4200/1378

PHILIPPINES

LABOR MINISTER CALLS FOR VOLUNTARY LAND REFORM

HK130539 Manila BULLETIN TODAY in English 12 Aug 85 pp 1, 14

[By Olaf S. Giron]

[Excerpts] Bacolod City--Labor Minister Blas F. Ople called yesterday for a voluntary land reform program for the sugar industry that could turn the current crisis into a major opportunity for social peace and economic strength.

Ople said the crisis in the industry has already touched a major chord of social conscience in Negros Occidental where, he said, a growing number of planters are now sharing pieces of their workers to help them survive by growing their own food crops. [Sentence as received]

He said the government should encourage and support this trend "through acts of positive reinforcement or a system of recognition and rewards."

The minister said that although voluntary land reform is superior to a coercive one, the foreclosed assets of government banks of Negros Occidental totalling 10,000 hectares, plus some 6,000 hectares of swamps and hill areas, should be distributed to the workers under Presidential Decree No 27.

Under the voluntary land reform program, Ople said planters can donate the use of their idle lands to their own workers with government providing the financing through a revolving fund from the economic support fund (ESF) allocation.

He said a recent presidential decree fully protects the titles and possession when they donate the use of a piece of land to their workers.

Ople addressed some 2,000 leaders of sugar trade unions that converged here for the 20th anniversary convention of the National Congress of Union in the Sugar Industry of the Philippines from all over the country.

He announced the release, by the order of the President, of P1 million to begin a food-for-work program that would benefit 80 barangays starting with 8 depressed barangays of Kabankalan Town.

Ople also said the first lady, as chairman of the Economic Support Fund Management Council, has recommended to the president the release of \$2 million (about 36 million [pesos]) to support the livelihood projects of dislocated sugar workers through their trade unions and cooperatives.

The minister said he was merely "the herald" because Mrs Marcos would come to Bacolod herself to release the funds to the workers upon approval by the President.

He also called for the representation of labor movement in the Philippine Sugar Commission and said he would nominate either Democrito Mendoza or Zoilo de la Cruz, trade union leaders, for a labor seat which he would ask the president to create.

With the proposed mothballing of eight sugar mills within the year, Ople said, mitigation policies should be worked out to help those who would be dislocated, including not only mill workers but also thousands of families in supporting plantations.

"We cannot agree to the mothballing of the mills without seeing that the rights and interests of the workers are fully protected," he said.

Ople said that he has proposed that the criteria for the selection of mills to be mothballed and milling districts to be abolished be amended to include "inter-regional equity and fairness" in addition to mill efficiency.

CSO: 4200/1377

PHILIPPINES

BRIEFS

COMELEC ELECTION MEASURES--The Commission on Elections [COMELEC] is proposing the acquisition of transparent ballot boxes as an additional safeguard for clean and honest voting in the 1986 local polls. COMELEC Chairman Victorino Capiliano disclosed the proposal during a hearing yesterday at the Batasang Pambansa on the (?cause) of the budgetary request for 262.7 million pesos for 1986. The hearing, conducted by the Batasan Committee on Appropriations, was part of a series of hearings on the proposed national budget for next year. Capiliano told the committee that COMELEC would need 45 million pesos to purchase the transparent ballot boxes. The COMELEC, Capiliano said, is also considering the use of indelible ink in 1986 local elections which could require about 6 million pesos. [Text] [Quezon City Maharlike Broadcasting System in English 0400 GMT 9 Aug 85 HK]

CSO: 4200/1377

THAILAND

FREEMAN COLUMN: U.S. SET TO INVADE NICARAGUA

Bangkok BAN MUANG in Thai 19 Jun 85 p 3

[Stop the World column by Freeman: "Civil War In Central America"]

[Excerpts] President Ronald Reagan, a Republican, has implemented a policy of spending money to get people in Central America to fight each other. Sandinista forces have crossed the border into neighboring Costa Rica and fought battles on the southern bank of the San Juan River. The sounds of battle could be heard coming from the two hills inside Costa Rica and from across the river inside Nicaragua. The result was that two Costa Rican civil guards were killed and eight were wounded.

The government of President Reagan is trying to get Costa Rica to take a "hard line" toward Nicaragua. But it has not succeeded. President Monge said that Costa Rica loves peace and opposes war. Costa Rica has 7,000 civil guards. They are not professional soldiers. With such a small force, Costa Rica cannot take revenge on Nicaragua, which has regular forces and modern weapons provided by the Soviet Union.

President Reagan plans to strengthen the Costa Rican forces based on his plan to have people in Central America fight each other for the benefit of the United States. Reagan has sent a team of U.S. Army Green Berets to Costa Rica. Their first objective is to train 750 men to form a rapid-deployment battalion. This unit will then be responsible for training other military units in Costa Rica. It will also suppress the professional rebels. It will be able to resist invaders who cross the Costa Rican border (meaning Nicaraguan forces).

The people in both Nicaragua and Costa Rica have said that they want peace. They want money to revive their economies. They want food to make up for the shortages. They do not want the weapons that the United States is offering.

Actually, there are other countries that border Nicaragua that are very poor, one of these being Honduras. The United States is spending large sums of money to help the Contra rebels. The United States wants

them to expand their operations and increase their attacks on Nicaragua by using Honduras as a logistics base. When Nicaragua sent forces to attack them in Honduras, this became an international dispute. The United States could use this as an excuse to intervene just as it did in Grenada.

At present, the U.S. Navy is conducting exercises off the coast of Honduras and in international waters off the coast of Nicaragua. These forces are ready to conduct operations in Nicaragua whenever Reagan gives the order. Reagan's goal is to topple the leftist government in Nicaragua.

11943

CSO: 4207/271

THAILAND

COLUMNIST VIEWS U.S.-THAI DEFENSE, ECONOMIC TIES

Bangkok BAN MUANG in Thai 14 Jul 85 p 5

[Ta Mo Lo column: "The Visit By George Shultz Was Of No Value"]

[Text] The visit to Thailand by Mr George Shultz, the U.S. secretary of state, was totally worthless. It is as if he had never come. Mr Shultz greatly disappointed the Thai people.

The U.S. secret service guards of Mr Shultz treated the mass media and people here very impolitely and made people very mad. The arrogant behavior of Mr Shultz's secret service agents made the Thai mass media and people feel as if Thailand had temporarily lost its independence and sovereignty.

The Thais were disappointed with Mr Shultz. They had hoped that Mr Shultz would discuss the security and economic problems since there are many problems that the United States and Thailand need to discuss and solve together. But during the 3 days that Mr Shultz was here, no substantive talks were held. Ceremonial talks were held for just 1 hour, just long enough to make the news and make it seem as if his visit was of importance. He came and left very quickly since he had to visit other ASEAN countries like this.

Besides this, U.S. officials sent "front men" to ask Thailand not to discuss serious issues with Mr Shultz. This made it clear that Shultz's visit to Thailand and other ASEAN countries was just a show for the world to see. A problem that Thailand is confronting and on which it had hoped to gain help from the United States, a country that has been a good friend for a long time, is the problem of Vietnam in Cambodia. Vietnam is constantly harassing Thailand along the border. It has killed Thai citizens and destroyed their property and damaged the economy and security of Thailand. All Mr Shultz did was give moral support.

Another problem that has greatly upset Thais is that the United States is blocking the import of Thai goods into the United States. The United States seems to be taking resolute action against Thai goods. It is taking action to keep all Thai goods out of the United States.

Mr Shultz refused to discuss this, saying that this was a matter for the U.S. Congress and that Thais should negotiate with it. Mr Shultz acted like a person who turns away from a friend. When he was asked for help, he rejected the appeal and told us to go ask someone else. We had hoped to get some help from the United States on Thai goods such as pipe, textiles, canned fish and shoes, but our hope of gaining any sympathy from the United States is now gone. As for Thai agricultural goods, the United States is using an "upper class" measure to attack world markets by competing like a "millionaire hitting a beggar." Thailand asked Mr Shultz to stop this. But Mr Shultz was very noncommittal.

In short, Mr Shultz's visit to Thailand was a big disappointment to the Thai people. It would have been better if he had not come. Then, Thais would at least have some hope. The visit by the U.S. secretary of state was like a warning to Thailand that it must depend on itself more and stop relying on the United States. Otherwise, Thailand might be greatly disappointed just like Laos, Cambodia and Vietnam. The United States started a war in Indochina and then ran away, abandoning Laos, Cambodia and Vietnam to their fate.

Today, Thailand is a politically strategic point in this region. It is the "linchpin" of the Free World and has influence all the way to the Strait of Malacca, territory of ASEAN and the gateway between the Indian and Pacific oceans. U.S. warships and commercial ships can pass through this gateway freely because Thailand and ASEAN guard it. If a time should come when Thailand and ASEAN can no longer guard the Strait of Malacca, the United States will lose its right to use the Strait of Malacca.

In the past, the Soviet Union showed no interest in the Strait of Malacca. But it is interested now and is on the move. Vietnam's occupation of Cambodia represents Soviet movement into the backyard of China and movement toward the Strait of Malacca.

Thailand and ASEAN are in a critical situation, which means that the Strait of Malacca, the United States' gateway to the east, is in trouble, too. Thailand and ASEAN must become stronger both militarily and economically, particularly economically since the economy is the foundation of the military.

Thailand is a poor developing country that has suffered greatly from OPEC's increasing the price of oil and from the fighting in Cambodia. Thailand has had to help hundreds of thousands of refugees. It has had to increase military spending and has suffered economic losses. It has also suffered as a result of the world economic recession during the past 2 years.

All that the export of four or five types of goods to the United States does is provide a little oxygen for the Thai economy. By blocking the import of Thai goods, the United States has caused great problems

for the Thai economy. If the United States continues to block the import of Thai goods, the Thai government will have to find a way to save the country. And the first thing that it must do is review Thailand's policy and see which way Thailand should go since it can no longer rely on its great friend, the United States.

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COLUMNISTS DISCUSS KHMER ROUGE STANCE, PROSPECTS

DK Withdrawal, Acceptance of PRK

Bangkok MATICHON in Thai 17 Jul 85 p 4

[Prachachun Stop Sign column by Phichien Khurathong: "Khmer Rouge Announces Withdrawal: a Key to Solving the Cambodian Problem"]

[Text] Great progress has been made in [solving] the Cambodian problem. It can be said that this advance was totally unexpected since just a few days prior to this, there seemed to be no way to solve the Cambodian problem following Vietnam's rejection of ASEAN's proposal to hold proximity talks.

Actually, the proximity talks proposal, which is based on an initiative by Malaysia, goes too far in trying to please China. And it is Thailand that is viewed as the one who modified Malaysia's original proposal.

In the original proposal put forward by Malaysia, representatives of the Khmer coalition were to negotiate with representatives of Heng Samrin through an intermediary. The negotiators were to sit in separate rooms with the intermediary taking the proposals back and forth.

But the modified proposal called for representatives of the Khmer coalition to negotiate indirectly with representatives of Vietnam, with Heng Samrin's representatives joining the Vietnamese delegation.

It is said that China told Air Chief Marshal Sitthi that China was opposed to holding proximity talks with Heng Samrin since that would be tantamount to defacto recognition of Heng Samrin. Thus, indirect negotiations should be held with Vietnam. Otherwise, China would not support this, and the Khmer Rouge would not participate in the talks.

When China set this condition, Malaysia's proximity talks proposal was modified, with the result that Vietnam rejected the proposal. Thus, at the conclusion of the annual ASEAN foreign ministers' conference in Kuala Lumpur last week, there seemed no possibility of solving the Cambodian problem.

But then unexpectedly, a great step forward was made when the Khmer Rouge radio announced on Monday that the Khmer Rouge is willing to withdraw from the coalition government in the future. This was also the first time that the Khmer Rouge agreed to allow the Heng Samrin group to join a coalition cabinet headed by Prince Sihanouk.

The Khmer Rouge has probably assessed the situation and realizes that if it remains in the coalition government, it would just handicap the other members of the coalition government rather than helping them. Even though the Khmer Rouge announced that it has disbanded the communist party and changed its leftist policy to a democratic policy, it has not received any support from the Free World. Besides the United States, Australia's Labor Party government has resolutely refused to recognize the Khmer Rouge. Australia said that it would be willing to host a conference to solve the Cambodian problem. The only condition was that the Khmer Rouge would not be allowed to participate.

Since the Free World refuses to recognize the Khmer Rouge, the Khmer Rouge will probably make changes or reduce its role somewhat. At the same time, Vietnam has constantly said that the Khmer Rouge must not be allowed to play any role. Vietnam once made a proposal through Mr Bill Hayden, Australia's foreign minister, to the effect that it would allow an election to be held in Cambodia and that Prince Sihanouk and Son Sann could participate.

But Vietnam's heaviest demand was that the Khmer Rouge, specifically, Pol Pot and Ieng Sary, must be expelled from the country. They could live in China or Thailand if they wanted. Let's look at the situation following the Khmer Rouge radio announcement that the Khmer Rouge is ready to withdraw from the coalition government in the future and is willing to allow Heng Samrin to join the cabinet in return for a withdrawal of Vietnamese troops. It seems that Vietnam's condition has accomplished something. But as for whether it has accomplished all that Vietnam wanted, we will have to wait and see how Vietnam responds to the Khmer Rouge's statement. Even though the acquiescence of the Khmer Rouge is a great step forward, this will not solve all the problems immediately. At the very least, the negotiations will take time. However, it can now be said that some light can be seen in solving the Cambodian problem.

Observer: SRV Cannot Be Bled Economically

Bangkok MATICHON in Thai 24 Jul 85 p 4

[Prachachun Stop Sign column by Phichien Khurathong: "A Golden Opportunity for Vietnam"]

[Text] Thai ambassadors from 23 Asian and Pacific countries have been called back to attend a ministry conference on Thailand's policies and on the situation both here and abroad.

The question is, if the Cambodian problem is solved, will this help improve relations between Thailand and Vietnam? Two days ago, an observer, who must remain anonymous, who recently returned from a trip to Hanoi told me that Vietnam could use much help from Thailand, particularly concerning doctors and medicines, of which Vietnam has a great shortage. Besides this, Vietnam could also rely heavily on Thailand for light industrial goods. But because of the political problems that have arisen because of the Cambodian problem and because the National Security Council has stipulated a list of goods that cannot be sold to Vietnam, trade between Thailand and Vietnam has not developed very much. The reason for saying that trade has not developed very much is that this observer said that at present, Thai merchants are still trading with Vietnam, with the value of this trade being approximately 100 million baht. They purchase agricultural products and export them abroad. Goods are not imported into Thailand. Some Thai merchants ship goods to Vietnam from Hong Kong. They do not obtain the goods from Thailand since the goods are on the list of prohibited items.

This observer said that the economic embargo against Vietnam has not achieved any results. This is because Vietnam receives support from the Soviet Union, which considers Vietnam to be a strategic outpost in Asia just as it considers Cuba to be a strategic outpost in the Caribbean and Latin America. Because Vietnam is so important to the Soviet Union, the Soviet Union will not let go of Vietnam easily, just as in the case of the United States and the Shah of Iran. Because of its importance, Vietnam can get the support it needs from the Soviet Union.

Besides the help from the Soviet Union, another thing that has rendered the economic embargo against Vietnam ineffective is that many countries outside the socialist bloc are trading with and helping Vietnam. However, these countries cannot give Vietnam much help since they do not receive anything from Vietnam in return. That is, Vietnam does not have anything to give them in return.

For example, France was not able to make a loan as it had wanted to do since Vietnam has not been able to repay an old loan. If it had gone ahead with this, France might have lost its money. Libya and India have encountered similar problems. That is, Vietnam doesn't have anything to offer them in return.

However, the observer who returned from Hanoi recently also said that we should keep an eye on Japan since many Japanese businessmen are traveling to Vietnam. Among the noncommunist countries, it is Japan that is sending the most businessmen to Vietnam. They are purchasing coal, steel, shrimp and fish from Vietnam. This observer said that Japan feels that in the long term, it will do much business with Vietnam. And Vietnam feels that it needs much more support from Japan in the long term.

As for the lives of the Vietnamese people, this observer said that the lives of the people have improved. This can be seen from the fact that they are wearing more attractive clothes and their food is better than before. Although their standard of living cannot be compared with ours, as compared with before, things have improved. Thus, an economic embargo against Vietnam will not achieve anything.

Besides this, Vietnam is changing its economic system. In the past, it used a rationing system. But this led to great corruption. Vietnam will end rationing and raise salaries so that people can purchase their own goods. Goods will no longer be rationed. Besides this, more power will be given to the commercial or business sector so that companies can make business decisions by themselves. In this, Vietnam is modeling itself on Hungary and Poland.

However, Vietnam is still far behind Thailand in economic growth and development. In the future, if the Cambodian problem can be solved, trade between Vietnam and Thailand should develop to a much greater extent than at present--if Vietnam sees its golden opportunity to develop the country.

Scepticism Noted On Flexibility

Bangkok SIAM RAT in Thai 18 Jul 85 p 2

[Report column by Chaiwat Yonpiem: "Has the Khmer Rouge Undergone a Transition?"]

[Text] One of the stories making the headlines today concerns the Khmer Rouge, one of the three members of the Khmer coalition that is resisting Vietnam in Cambodia.

Last Monday, the Khmer Rouge radio, which broadcasts from a station located in western Cambodia, issued a statement in order to express the new line of the Khmer Rouge. And then on Tuesday, before people had had time to digest that statement, the Khmer Rouge announced that it had rejected Vietnam's demand that Pol Pot be dismissed from his leading position. The Khmer Rouge initially announced that it would be willing to accept Vietnam's proposal if Vietnam would withdraw its forces from Cambodia.

The Khmer Rouge radio mentions Pol Pot very rarely. But when it does, it never fails to add that he is a bold patriot who has shown skill in preventing Vietnam from occupying all of Cambodia. For this reason, while Vietnam wants to get Pol Pot out of Cambodia, that will be very difficult to do.

Vietnam has said several times that it will not withdraw its forces from Cambodia as long as there is still a possibility of Pol Pot returning to power there. The statement issued repeatedly by the Khmer Rouge

before the Pol Pot matter arose seems very strange. The Khmer Rouge promised to change its policy following the meeting of senior Khmer Rouge leaders on 5-6 June. But many people feel that these statements by the Khmer Rouge are an attempt to show that the Khmer Rouge will not be the one to break the peace when a new government is formed in Cambodia if Vietnam really does withdraw its troops.

It is thought that the Khmer Rouge made this announcement because of the great pressure applied by important supporters, particularly China and ASEAN. They want the Khmer Rouge to take a more flexible line in order to help bring about movement in solving the Cambodian problem peacefully and to motivate countries to continue supporting the seat of the CGDK, of which the Khmer Rouge is a member, in the United Nations.

The Khmer Rouge said that it is willing to abide by the decision of the people in a free election and that it would allow the new Cambodia to be a free and capitalist country. [It said that] if the people do not choose the Khmer Rouge, it will not object and that it will work to preserve the stability of the country. Even if a Heng Samrin government is [in power] in Phnom Penh, it will participate in building a new Cambodia in which there are no Vietnamese troops.

There are people who are very suspicious about this new policy of the Khmer Rouge since this is something new and since the Khmer Rouge has not done anything to prove how sincere it is. But this is another step in the transformation of the Khmer Rouge. The first step was taken 5 years ago when the Khmer Rouge announced that it was disbanding its communist party and that it would cooperate with the two noncommunist groups that had been its enemy in the past, that is, the Sihanouk and Son Sann groups. After that, another change was made. Pol Pot announced that he was giving up political power and that he would retain only his military position. As is said very often, we will just have to "wait and see."

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LETTER WRITER: EX-CPTS MISTREATED AS 2ND CLASS CITIZENS

Bangkok WIWAT in Thai 22-28 Jul 85 p 5

[Letters column by Yuksamai Phuphanthang: "Jungle Returnees and 66/1980"]

[Text] It has been 4-5 years now since people returned from the jungle. But the pain in the heart still remains. There are still deep wounds within. These are like tatoos that will not disappear.

Those who returned are all leading different lives based on their own situation. But in general, these people are one group from that period. This is how they view themselves, and this is how they are viewed by state officials and by society. No one, not even they, can forget what happened.

And that is the problem that still exists. Even though the government has implemented Policy 66/1980 and discussed this matter many times in order to bring about national unity using a "politics leads the military" policy, in actual practice, mid-echelon and field-level officials of the state have a very poor understanding of this political strategy. This is because these officials are old officials who are used to using force and power. They are still wearing the "same old glasses" and so in their view, those who have left the jungle have evil intentions toward the nation, religion and monarchy. That is, they view them as dangerous people who cannot be trusted and whose actions must be monitored. And in the end, returnees are sacrificed so that these officials can "score points" with their superiors. And so the vicious circle goes on and on. The pain and suffering and lack of trust in society goes on and on.

Almost all the returnees, regardless of whether they are laborers, farmers or intellectuals, live a life of fear. They do not feel safe and are afraid that their peaceful lives will be disrupted by political problems. In their daily lives, they constantly worry about being followed and maligned. Officials frequently stop and question them. They feel like second-class citizens. It's like being threatened both directly and indirectly.

It can be seen that the attitudes and actions of the officials are not in accord with Policy 66/1980, which wants to bring about national unity. Their actions are contrary to Policy 66/1980 and are creating a gap and a never-ending misunderstanding. Their actions show a lack of respect for basic rights and freedoms in a democratic system. This is political oppression that is causing great pain just as in previous periods.

The political oppression that jungle returnees are suffering at the hands of state officials does not seem to be getting any better. If there is political violence, it is the jungle returnees who become the scapegoats. They can easily be used as political tools, which is very unfair.

The past was determined by definite facts. It is an historical reality. The honor that people earned cannot be belittled. If people are criticized and treated like prosecutors treat defendants and guards treat prisoners, it will be impossible to solve the political problems. And this will show whether the state's awareness of the people has developed at the same pace as the people's awareness. When the people investigate this, they may lose patience and lose their fear of offending [officials].

During the past 4-5 years, the state and state officials have failed to gain the confidence of the people. The state has lost much prestige. For this reason, the impudent way in which state officials have treated the jungle returnees is revolting. It's like a person who has failed in everything shamelessly showing off in society.

If officials who are involved in national security work continue to use state power like this and do not change their attitude or take off their "colored glasses," a day will come when no one will respect them. But we still hope that they will not do anything that will lead to a resurgence of violence.

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STATISTICS OFFICE REPORTS BANGKOK WAGES, BUSINESS SLUMP

Bangkok BAN MUANG in Thai 1 Jul 85 pp 1, 16

[Article: "Business"]

[Excerpt] Mr Nihom Purakham, the secretary-general of the National Statistical Office, has revealed the results of a survey. He said that of the 29 percent of the workers who are not being paid the minimum wage, 10 percent are being underpaid by at least 60 baht.

Besides this, the "Survey On the Operations of Trade and Industrial Businesses During the First Quarter of 1985," which was conducted by the National Statistical Office in Bangkok and nearby provinces, revealed current wage levels. Most workers, that is, 44 percent, are paid 70-79 baht a day; 29 percent are paid less than 70 baht, which is the minimum wage; 10 percent receive 80-89 baht; 3 percent are paid 90-99 baht; and 14 percent receive more than 100 baht a day.

The secretary-general of the Statistical Office said that 50.6 percent of the businesses reported that they had not adjusted 1984 salaries for their employees; 49.4 percent reported that they had adjusted salaries. The main reasons why businesses did not adjust wages were that business was not good, the employees were not yet skilled enough and it was not yet time to increase their salaries based on the conditions of the contracts.

As for paying bonuses, 59.7 percent of the businesses paid a bonus to their employees; 40.3 percent did not. Most said that the bonus paid this year was the same as that paid last year.

As for hiring increased numbers of workers, Mr Niyom said that as compared with the previous 3 months (October-December 1984), employment at the businesses in Bangkok and the nearby provinces increased only 3 percent. In Bangkok, the increase was only 2.2 percent while in the provinces it was 4.2 percent.

The secretary-general of the Statistical Office said that the businesses felt that business during the first quarter of 1985 was worse than both the previous 3 months (October-December 1984) and the first quarter

of 1984. When asked to make a comparison with the previous 3 months, 31 percent of the businesses said that business was down, and 11 percent said that business was better. When asked to make a comparison with the same period last year, 54 percent said that business was down; only 5 percent said that business was better.

Mr Niyom said that such comparisons allow us to get a true picture of the business situation. Simply looking at the previous quarter may not give a clear picture since there may be a seasonal recession in trade. But by comparing this with the same period last year, or the first quarter of 1984, we can get a clear picture of the business situation since these are the same time periods. The results show that, for the most part, business is down.

As for forecasts for the second quarter, or April to June, 38.6 percent of the businesses in Bangkok and 41.1 percent in the neighboring provinces felt that business will be worse. Only 9.5 percent in Bangkok and 12.4 percent in the nearby provinces felt that business will improve.

Mr Niyom said that 76.7 percent of the businesses said that the cost of goods and services had not been adjusted during the first quarter. Of these, 65.6 percent said that prices would not be adjusted in 1985. The other 23.3 percent said that they had already adjusted prices.

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EDITORIAL VIEWS WHITE BOOK ON JAPAN TRADE

Bangkok BAN MUANG in Thai 29 Jun 85 p 4

[Editorial: "Don't Believe What Japan Says"]

[Text] Mr Thapana Bunnak, the secretary of the Thai Chamber of Commerce, gave his views on Japan opening its trade markets to other countries by reducing trade tariffs, including tariffs on Thai goods. He said that if Japan reduces its tariffs on Thai goods by just 2-3 percent, that will not benefit us very much. To facilitate the export of Thai goods, tariffs must be reduced 5-6 percent. Also, we have to know which goods this will apply to since tariffs on certain goods have been reduced already.

The secretary of the Thai Chamber of Commerce has much experience in Thai-Japanese trade since he has held this position for over 20 years. He knows all of Japan's tricks since he once held trade negotiations with Japan and was double-crossed by Japanese businessmen and the Japanese government, which failed to act in accord with the agreement. Since then, he has never trusted Japan. Thus, his observations are worth considering.

As an example, Mr Thapana cited the case of Mr Nakasone calling on Japanese importers to import more goods from abroad. But the amount of Thai goods sold to Japan did not increase at all during the first 3 months. And the goods purchased from Thailand are goods that we take a loss on by selling to Japan. For example, we sell cassava products to Japan at a price of \$60-65 a ton. But we sell these goods to Europe at a price of \$93 a ton. Japan has purchased jute from us because of the worldwide shortage. Japan has to buy from us in order to feed its plants and prevent shortages of raw materials.

As for trade negotiations with Japan, it must be admitted that Japanese businessmen are very disciplined. In particular, relations between businessmen and regular government officials are very good. They coordinate things well. In negotiations in which Japanese government officials do not participate, it is very difficult to reach an agreement. For example, Japanese Ministry of Agriculture officials sided with farmers in opposing the Japanese government's decision to lower import tariffs on agricultural goods. The Japanese hold rigidly to the plans

that have been formulated. This is different from Thailand, which pays little attention to the economic development plans that have been made.

As for the White Book issued by Thailand, that is just a collection of notes. There is nothing in it that must be carried out. In carrying on trade negotiations with Japan, it is difficult to gain the advantage, unless you hit them "below the belt" or change the law to place greater controls on Japanese trade in the country. The government should study these ideas and take action to counteract Japanese ruthlessness. Don't expect "sweet talk" to achieve anything. That will just result in pain later on.

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RTA BALANCE OF POWER VIEWED BETWEEN ACADEMY CLASSES

Bangkok SU ANAKHOT in Thai 11-17 Jul 85 pp 8-11

[Article: "Five Leading Army Classes In 1986"]

[Text] In the September 1978 military reshuffle, Gen Prem Tinsulanon, the then assistant RTA CINC, became the RTA CINC in place of Gen Soem Na Nakhon, who became the supreme commander. Gen Sitthi Chirarot, the secretary of the army, became the deputy RTA CINC before being promoted to field marshal and made the under secretary of defense in his last year of government service.

In April 1981, Maj Gen Athit Kamlangek, the then deputy commanding general of the 2nd Army Area, became the commanding general of the 1st Army Area. And in September that year, Lt Gen Athit was promoted to full general and made assistant RTA CINC in place of Gen Chamnan Nilawiset, who was made the deputy under secretary of defense.

These transfers took almost everyone by surprise. Many professional soldiers were rather dismayed by what had happened. But when their superiors explained things to them, they accepted the situation quietly.

The Military Situation and the Balance

After the 1984 military reshuffle, the top military posts were all filled by members of Army Preparatory School [APS] Class 5: Gen Athit Kamlangek, the RTA CINC; Gen Thienchai Sirisamphan, the deputy RTA CINC; Gen Banchop Bunnak, the army chief of staff; Gen Mana Rattanakoset, the assistant RTA CINC; and Gen Ongat Suphamat, the assistant RTA CINC.

Those at the next echelon down included members of Chulachomklao Royal Military Academy [CRMA] Class 1: Lt Gen Chawalit Yongchaiyut, the deputy army chief of staff; Lt Gen Wanchai Ruangtrakun, the assistant army chief of staff; Lt Gen Sunthon Khongsomphong, the commander of the Special Warfare Command; Lt Gen Charuai Wongsayan, the assistant army chief of staff; Maj Gen Panya Singsakda, the deputy commanding general of the 4th Army Area; Maj Gen Chaichana Tharichat, the deputy

commanding general of the 3rd Army Area; Maj Gen Aphitthep Intharaphithak, the deputy commanding general of the 3rd Army Area; Maj Gen Saphrang Nutsathit, the director of the Office of Research and Development.

Members of CRMA Class 2: Lt Gen Phichit Kunlawanit, the commanding general of the 1st Army Area; Maj Gen Wichit Sukmak, the superintendent of CRMA; Maj Gen Wichit Bunyawat, the deputy director of the Information Office; Maj Gen Methi Samutrak, the director of intelligence; Maj Gen Wisit Atkhumuang, the deputy commanding general of the 3rd Army Area; Maj Gen Thamnu Phutphat, the chief of staff of the 5th Army Area [as published]; Maj Gen Prachong Thiranet, the commander of the 16th Division; Maj Gen Soem Chaibut, the commander of the 4th Army Circle; Maj Gen Samut Nilakun, the deputy director of ordnance.

Members of CRMA Class 3: Maj Gen Ratsami Wongphrommek, the commander of the Cavalry Center; Maj Gen Sakda Suyayon, the chief of the Office of the Army Comptroller; Maj Gen Ophat Phothiphaet, the commander of the 4th Combat Support Headquarters; Maj Gen Chap Iemsiri, the commander of the 5th Division; Maj Gen Arun Priwattitham, the commander of the 2nd Combat Support Headquarters; and Maj Gen Panya Khwanyu, the chief of the Reserve Affairs Department.

Members of CRMA Class 4: Maj Gen Wattanachai Wutisiri, the deputy commanding general of the 1st Army Area; Maj Gen Yutthana Yaemphan, the deputy commanding general of the 1st Army Area; Maj Gen Sirin Thupklam, the commander of the Artillery Center; Maj Gen Manun Phonwiang, the chief of staff of the 2nd Army Area; and Maj Gen Thanaphon Bunyopatsatham, the deputy commander of the "NSS."

Members of CRMA Class 5: Maj Gen Suchinda Khraprayun, the director of army operations; Maj Gen Isaraphong Nunphakdi, the commander of the 1st Division; Maj Gen Wimon Wongwanit, the commander of the 1st "PRS"; Maj Gen Khachon Ramanwong, the commander of the 2nd "PRS"; Maj Gen Wirot Saengsanit, the commander of the AAA Division; Maj Gen Somphon Toemthongchai, the commander of the 3rd Infantry Division; Maj Gen Ariya Ukhotsakit, the commander of the 2nd Cavalry Division; Maj Gen San Siphon, the commander of the 2nd Infantry Division; Maj Gen Phuchong Nilakham, the commander of the Artillery Division; Maj Gen Choetchai Thirattananon, the commander of the 9th Infantry Division; Maj Gen Woraphim Ditsayabut, the commander of the 11th Division; Maj Gen Chamlaeng Uchukomon, the chief of staff of the 1st Army Area; and Maj Gen Choe Phosinak, the commander of the Chiang Mai Military District.

Most of the deputy divisional command and regimental command positions are held by members of CRMA Class 8, the class of Maj Gen Naritdon Detchapradit, the secretary of the army.

On one hand, the position of each class in the army is based on seniority. But at the same time, the rivalry between classes has led to an implicit balance between them. The movement to grant an extension to Gen Athit Kamlangek last year clearly showed which side each class and each officer supported.

CRMA Class 1, the head of which is Lt Gen Chawalit Yongchaiyut, remained silent on this issue, as did CRMA Class 5. Most of them took the same attitude as Lt Gen Chawalit.

Lt Gen Phichit, the leader of CRMA Class 2, openly voiced full support for this. And in this, he was supported by many senior and junior officers. In April, the cabinet granted a 1-year extension to Gen Athit.

Lt Gen Phichit seems to be much closer to Gen Athit than other officers of the same rank. It seems more and more likely that Lt Gen Phichit, who is supported by some members of classes 3 and 4 and most members of Class 8, will be the next RTA CINC.

At the same time, Lt Gen Chawalit has constantly carried on political activities for Gen Prem Tinsulanon, the prime minister. He was involved in the arrest of suspected communists during the middle of last year. Illegal leaflets attacked him, charging that he was cooperating with Gen Prem to block the activities of Gen Athit and Lt Gen Phichit. And he helped mend the cracks during the crisis following the devaluation of the baht at the beginning of November 1984.

In the military reshuffle at the end of 1984, Lt Gen Chawalit, who held the position of deputy army chief of staff and who, in terms of seniority, was due to be promoted to full general, failed to win a promotion.

The Military Situation In October 1985

In the upper echelon of the army, many people are interested in what will happen this October. Three generals, that is, Gen Thienchai, Gen Mana and Gen Ongat, will retire. Only Gen Athit and Gen Banchop will remain. This means that three men with the rank of lieutenant general have a chance to replace them. And one of these new generals will probably become the RTA CINC in the future after Gen Athit and Gen Banchop retire in 1986, unless something happens and Gen Athit is granted another extension.

If Gen Banchop remains in the army, it is thought that he will be made the deputy RTA CINC. Lt Gen Chawalit, who has the confidence of CRMA Class 5 officers, would probably be made the army chief of staff in this year's reshuffle.

As for the two assistant RTA CINC positions, one will probably go to Lt Gen Phichit, who has constantly supported Gen Athit and who has the confidence of the "boss." The other general's position will probably go to a fellow classmate of Gen Athit from APS Class 5, of whom only a few remain on active duty. The people most likely to be promoted are Lt Gen Wanchai Chitchamnong, the commanding general of the 4th Army Area, and Lt Gen Chuthai Saengthawip. If things proceed as expected, Gen Athit will have to choose one person.

Lt Gen Chuthai, the deputy army chief of staff, will retire in 1986. Lt Gen Wanchai will retire in 1987. However, the retirement of two officers of field marshal rank, that is, Gen Pathom Soemsin, the chief of staff officers, and Gen Chamnan Nilawiset, the under secretary of defense, will definitely have an effect on the army.

"If Gen Banchop remains the army chief of staff, that will not pose a problem in the army. But in Supreme Command Headquarters, who will become the chief of staff officers? That person is like a housewife who looks after things. Gen Athit will have to find someone whom he can trust. Finding a suitable person like Gen Banchop is difficult. We will have to wait and see what agreement is worked out by Gen Athit and Gen Banchop," said a CRMA Class 2 officer to SU ANAKHOT.

A news source in the Bangkok Peacekeeping Force said that it is very likely that Gen Banchop will be transferred to Supreme Command Headquarters in order to give officers from junior classes a chance to move up and wait the retirement of APS Class 5 officers. The field-marshal positions must go to those who are generals. And what about the other positions? If Gen Banchop becomes the chief of staff officers, there will be four full-general positions open in the army.

Who Is Who Among the Four Tigers?

During last year's military reshuffle, many of the CRMA Class 5 officers were rather disappointed by the fact that Lt Gen Chawalit was not made the army chief of staff. This year, they have great hope that he will be promoted to an important position and hold one of the top three positions in the army, that is, RTA CINC, deputy RTA CINC and army chief of staff.

It is widely recognized that Lt Gen Chawalit is a brilliant staff officer. And it is generally recognized that he has helped solve the political problems of the prime minister. Among junior officers, it is said that Gen Prem supports the idea of Lt Gen Chawalit becoming the army chief of staff.

However, because of various factors that have nothing to do with a conflict, if Lt Gen Chawalit and Lt Gen Phichit both retire in 1992, only one of them can become the RTA CINC.

At a senior general, it seems that it will be very difficult for Lt Gen Chawalit to maintain a neutral position in the conflict between the power groups.

When Lt Gen Chawalit announced that he would retire in 1987 at the age of 55, several CRMA Class 5 officers told reporters that that was very likely.

At the same time, Lt Gen Chawalit's situation at the end of this year is similar to that of Gen Banchop. When Gen Bunrit Thantharanon, the deputy supreme commander, retires, because this position is reserved for an army officer, a full general will have to be found to fill this field-marshal position.

At Supreme Command Headquarters today, there is a senior general, that is, Gen Krit Chichoen, the deputy chief of staff officers. "If Lt Gen Chawalit is transferred to Supreme Command Headquarters, it means that Gen Krit will be made the deputy supreme commander. Lt Gen Chawalit would be promoted to full general and be made the deputy chief of staff officers in his place. Senior officers may think that Lt Gen Chawalit is suited for this position. He could help with this work at Supreme Command Headquarters, and he would also have time to carry out political tasks given to him by the prime minister," said the news source in the Bangkok Peacekeeping Force.

Turning back to the army, if the equation turns out like that and there are four vacant general's slots, it is thought that the position of deputy RTA CINC will go to Lt Gen Wanchai Chitchamnong while the position of army chief of staff will go to Lt Gen Chuthai Saengthawip, the deputy army chief of staff for intelligence. Both of these men are classmates of Gen Athit, who has great confidence in them, particularly Lt Gen Chuthai, who has always worked in this field.

The position of first assistant RTA CINC will most likely go to Lt Gen Phichit, who will probably hold the position of commanding general of the 1st Army Area concurrently. The second position will go to an APS Class 5 officer, probably either Lt Gen Akkhaphon Somrup or Lt Gen Kamhaeng Chanthawirat, who are now assistant army chiefs of staff and who will retire in 1987 and 1986 respectively.

Junior Officers Will Move Up

Besides those in the top echelon of the army who are being watched carefully, CRMA Class 5 is another class in which people are very interested. No one in this class has been promoted to lieutenant general. Based on past positions, Maj Gen Suchinda has a good chance of being promoted from director of operations to assistant army chief of staff, as does Maj Gen Prasoet Sanrit, the director of the Civil Affairs Department. It is thought that Maj Gen Isaraphong, the commander of the 1st Division, will continue to advance in the command stream. He will probably be

made the deputy commander of the 1st Army Area. This will give Maj Gen San Siphon, a classmate of his who is presently the commander of the 2nd Division, a chance to replace him [as commander of the 1st Division].

As for members of CRMA Class 2, both Lt Gen Wanchai Ruangtrakun and Lt Gen Charuai Wongsayan, assistant army chiefs of staff, have a good chance of being promoted to deputy army chief of staff. Based on his present duties, Lt Gen Wanchai has a better chance since senior people selected him to help carry out work at the Bangkok Peacekeeping Force.

See What Prem Thinks First

If the military reshuffle proceeds as expected, it is certain that Gen Athit will strengthen unity in the military, and the future during the next 7 years will be even clearer.

Each time there is a military reshuffle, when the army issues its list of appointments, the list is considered by the minister of defense in his capacity as the servant of the king. Many times, changes are made by the minister of defense.

"We have to wait and see what Gen Prem thinks. At present, it is quite likely that if Lt Gen Chawalit is transferred to Supreme Command Headquarters, someone else from his class will be made a full general to replace him. It could be Sunthon Khongsomphong. At the very least, Gen Prem will compromise since he does not want to act in too high-handed a manner. Just wait until September. There are still many other things to talk about," said a CRMA Class 5 officer to SU ANAKHOT.

11943

CSO: 4207/253

PEOPLE'S REPUBLIC OF KAMPUCHEA

HAIPHONG ASSISTANCE TO KHAMPHONG SOM PORT DESCRIBED

Vientiane PASASON in Lao 27 Jun 85 p 3

/Text/ The resolutions of the summit meeting of the three Indochinese nations held on 22-23 February 1983 in Vientiane Capital have broadened the cooperation among the three Indochinese nations in every area, not only between the SRV and the KPR but also including the twinning of provinces of the two countries.

The first step is the opening of a Vietnam-Bamcobia communication system and the expansion of branches of factories, schools, hospitals and offices and finally, the twinning of Haiphong Port with Khampong Som Port.

Most of the Vietnamese volunteers who fought side by side with the people of Khampong Som to extinguish the dispersed troops of Pol Pot and Ieng Samrin are natives of Haiphong. Haiphong also sent its experts and workers to assist Khampong Som to restore the port so that it would operate normally. Since then, Vietnamese ships hauling goods from Haiphong to Khampong Som are always among the ships that dock at this port.

The cooperation between Haiphong and Khampong Som since the beginning of 1983 is the fruit of the summit meeting of the three nations. Both sides are rendering mutual assistance by using their manpower to develop their economies together. A delegation of 50 experts from Haiphong went to Khampong Som to help in the task of developing the economy and culture and to develop a new life for the downtown area.

Survey and design for an irrigation system were done to guarantee rice farming on 14,000 ha. A dam and a reservoir were built and completed. While waiting for the building of an irrigation system, a delegation of Vietnamese technocrats along with workers and civilians built the dam with existing materials. The dam is 18.5 m long, 2 m thick, with a 7 m long base. This will prevent saltwater (seawater) from entering the rice fields.

Because the slogan "Irrigation is the Key To Improving the Economy" has been put into practice, last year production was quite high (3.5-4 tons per ha), in spite of natural threats.

Haiphong and Khampong Som are together developing their economies, especially by cooperating in the wooden household goods industry area. Haiphong has been

sending technocrats, cadres and workers to Kamphong Som to conduct short-term woodworking training sessions. In addition, Haiphong has also built and sent machinery to assist in lumbering and woodworking factories in Khamphong Som.

Because Khamphong Som has a big supply of forests and sea foods and good roads for transport, it has helped Haiphong in many ways; for example, in animal feed, lumbering and sea foods.

This cooperation is the accomplishment of the summit meeting of the three Indochinese nations. It is the objective of these three countries that share the same destiny because they formerly shared the same enemy and presently still share it: Beijing reactionaries. We also have the same route to take, namely, to develop the country to step up to socialism, which is the goal of the people of the three nations.

12597

CSO: 4206/147

MILITARY AFFAIRS AND PUBLIC SECURITY

STRENGTHENING OF REAR SERVICES URGED

Hanoi NHAN DAN in Vietnamese 8 Jul 85 p 3

[Article by Lt Gen Nguyen Chanh, Director of the Rear Services General Department: "Build and Consolidate an Increasingly Solid Rear Services Deployment"]

[Text] In the course of 35 years of development, beginning with President Ho's signing on 11 July 1950 of the decree organizing the Supply General Department in the Ministry of Defense-High Command, the succeeding generations in the rear services sector have united closely under the direct leadership of the Party and our beloved Uncle Ho and the care and assistance of the people have outstandingly fulfilled their missions and , along with the soldiers and people of the entire nation, defeated the French colonialists, the U.S. imperialists, and the attacks of the Chinese expansionists and hegemonists. Along with the all-round and outstanding development of the armed forces, the arm army's rear services sector has matured in all respects, gradually build up a solid and integrated rear-services deployment, and closely combined the army's rear services with the people's rear services and mobile rear services with on-the-spot rear services.

In the present situation, when the nation's economy is still imbalanced, many difficulties are being encountered in the lives of the people, and the enemy are waging an encroachment war in the north and carrying out a many-sided war of destruction, in order to improve the quality of the rear services work, in addition to fulfilling the material-technical norms assigned by the upper echelon (they are the main consideration) every organ and unit must continually promote the increasing of production and animal husbandry to create additional sources of goods with which to maintain and improve living conditions. The experiences of the past, especially in recent years, have shown that, all else being equal, units which do a good job of increasing production and creating sources of supply not only maintain stable living conditions but also improve their diet and do not violate reserve stocks. Indeed, their fighting strength is consolidated and developed. Implementing the resolutions of the fourth and fifth party congresses, our army has participated in economic construction, affirmed its capability and potential, and not only performed its work but attained increasingly higher productivity, quality, and effectiveness. In the strategic places and at the key projects in which the armed forces have participated, by means of the

results we have attained we have become more self-sufficient. On the agricultural production front, the army has reclaimed wasteland and cleared tens of thousands of hectares. Obeying the admonition of Uncle Ho--"If you are good to the land the land will be good to you"--many units, not sparing effort or sweat, have wrestled to transform marshy alum soil areas and acidic, saline fields, and the land has returned to the armed forces an average of tens of thousands of tons of grain a year. In increasing production and animal husbandry the organs and units have combined large, medium, and small scales. In addition to cultivation and animal husbandry around messhalls and around the camp, the army has fully utilized all conditions and exploited all capabilities of the land to create additional sources of foodstuffs. In national defense industrial production the value of commodity output and the principal products has increased by an average of 5 to 10 percent a year, and because of the requirements of the troops some products have doubled or tripled in comparison to the previous year. That volume of commodity production have met a significant part of the requirements in ensuring rear services and serving the lives and activities of the armed forces.

However, the tasks of increasing production, processing, and creating sources still have not undergone a uniform, all-round transformation. The task of planning the increasing of production and the creation of sources has not received adequate attention from the leadership and command echelons and economic effectiveness has not been calculated. Furthermore, at times and in places the management and use of the results of labor have not been rational. The formation of economic alliances between the enterprises and the units inside and outside the army to develop and exploit strengths and support one another in order to produce many products for society has not been carried out on a regular basis and has not brought about the desired results. The actual situation has demonstrated the great effect on production and the creation of sources brought about by the voluntary, positive participation by the cadre and enlisted man masses throughout the army. The actual situation has also demonstrated that if units merely rely on and wait on the upper echelon they cannot fulfill well their mission of supporting rear services, the living conditions of the troops are not stable, and the situation of running low on supplies will occur and it will be difficult to overcome the phenomenon of troops at times having to eat rice and salt. In fact, the army's rear services sector is like an economic sector in that it does economic work with very precious capital: a large labor force, rich creative capabilities, scientific knowledge, and increasingly complete equipment. By means of the organizational work the armed forces must use that capital with the greatest possible effectiveness in order to exploit the nation's potential in each area, produce much wealth for society, contribute to economic development, national development, and local economic development, and create a basis of material and morale support for on-the-spot rear services. Participation in production labor and socialist construction has long been a political mission, an obligation, and a glorious tradition of our army.

In building and consolidating an increasingly more solid rear services deployment in war to defend the homeland that is appropriate to the situation, characteristics, and missions in the new phase, the armed forces must continually bring into play the superiority of people's rear services and on-the-spot rear services.

During the past 35 years the army's rear services sector, under the direct leadership of the Party, has been continually consolidated and has developed into support systems from the Ministry of National Defense down to the battlefields and units. The corps of rear services cadres has been continually consolidated and strengthened. Rear services scientific theory has been increasingly perfected. All supply standards and professional systems have been promulgated and implemented uniformly throughout the army. Standards regarding the troops' diet, which were previously simple, have gradually been differentiated according to category, on the basis of investigations and studies. Today we have more than 50 different ration standards. The distribution, management, and settlement systems have been gradually adjusted and have become increasingly rational and scientific. Clearly, with the rapid rate of development of the armed forces, the army's rear services have undergone outstanding maturization and have built outstanding maturization and have built increasingly solid forces. But at all times and in all places, in war as well as in peace, especially in the present phase, the army's rear services must cooperate closely with local rear services. Mobile rear services must be combined flexibly and creatively with on-the-spot rear services. Only thereby is it possible to bring into play the combined strength of rear services, ensure productivity, quality, and effectiveness, and fulfill all requirements of the armed forces in combat and construction.

In order to bring into play the material bases assigned by the state, increase production, and achieve high effectiveness of on-the-spot effectiveness, management is always the key, decisive factor. In past years, in addition to many model accomplishments by collectives and individuals in management, there have been sorrowful lessons regarding the relaxation of management. Therefore, it is necessary to launch a movement for the entire army to participate in management and practice strict economy. It must be a conscious movement of both the commanders and the enlisted men. Only by bringing into play the collective mastership right of the masses, under the close leadership of party of organizations and with a strong sense of responsibility on the part of the commanders, can the regulations, principles, and laws regarding management in the army be fully implemented and negativism and the loss and damage of socialist property assigned to the army for its management and use be overcome.

5616

CSO: 4209/574

MILITARY AND PUBLIC SECURITY

MINISTER OF JUSTICE COMMENTS ON NEW CRIMINAL CODE

Hanoi NHAN DAN in Vietnamese 2 & 3 Jul 85

[Article by Phan Hien, Minister of Justice: "Understand Our State's Criminal Code"]

[2 Jul 85 pp 3, 4]

[Text] Everyone Must Obey the Law

In order to manage the nation in all regards and manage the affairs of society, our state has passed laws and gradually perfected the legal system. Law are the bases for the Party's lines and policies and manifest the will of the working class and the aspirations of the laboring people.

Laws stipulate what the state organs and social organizations must do, and what they can and cannot do, and by that means guide the activities of the state organs, social organizations, and citizens toward the enterprise of building the nation and defending the homeland, depending on the requirements of each revolutionary phase.

The strength of laws lies in their compulsory nature. If laws are to be strong they must be highly persuasive they must manifest the principles of the socialist system and at the same time being appropriate to the actual situation of life. At present laws must be as hard as steel and also as flexible as steel if they are to be implemented. Everyone must obey the laws. People who do not obey laws must be subjected to certain punishments. For example, people who violate traffic laws are subjected to misdemeanor punishments; people who evade and underpay taxes are punished according to tax laws and their goods may be confiscated; state personnel who violate labor discipline are admonished, warned, transferred, demoted, or fired, depending on the seriousness of the offense; and people who harm others must make amends and make reimbursement for damage that is done. Acts which violate laws and pose a danger for society are called crimes. In order to oppose and prevent crimes there must be criminal punishments to deal with them. There are no measures more severe and strong than criminal punishments. People who commit criminal violations may suffer property losses (monetary fines or property confiscation) or be deprived of their freedom (be sentenced to jail) or even of their lives (be executed) in especially serious cases. Due

to the severe, strong, nature of criminal punishments, criminal laws have the function of ensuring the enforcement of laws.

Why Is There a Criminal Code? Crimes Have Not Ended

Crimes that are representative of capitalist society include drug trafficking, counterfeiting, bank robberies, armed robbery, etc., which occur every day in Western countries, especially in the United States. Such crimes have clearly tended to increase.

In general, the exploiting classes no longer exist, and there no longer exists the situation of man exploiting man and of workers becoming impoverished. Because those deep-seated reasons for crimes have been eliminated crimes have been greatly reduced. However, at present crimes still occur to a certain degree. That situation is caused by the sabotage activities of the imperialists and the other international reactionary powers, by the vestiges of bourgeois thought in the consciousness of a number of people who have not kept up with the requirements of the socialist way of life, and because of the objective difficulties which every socialist country must still face to one degree or another. In the socialist countries the Party and state have set forth the mission of struggling more strongly against crime.

In our country, many all-out efforts have been made in preventing and fighting crimes, especially in recent years, but the negative phenomena have not been stopped and pushed back to a notable degree. The crime situation is very complicated and is in some respects serious. Many factors and conditions have produced that situation.

The hostile forces are waging a many-sided war of aggression against the Vietnamese revolution. The thoughts, psychology, and customs of the exploiting classes and of the old society have not yet been completely eliminated, especially the social evils and the venoms of the reactionary culture thrown into our country by the enemy.

We are now in the first phase of the period of transition. A fierce, complicated, and decisive struggle is taking place between socialism and capitalism. In the economic sphere, "the nation has undergone positive transformations and made increasingly more solid new advances." but there are still many difficulties and hardships.

In order to guard against and oppose crime it is necessary to apply political-ideological, economic-social, legal, and criminal measures, which are sharp weapons in preventing and fighting crime. During the first few days after the success of the August Revolution a whole series of decrees were promulgated which set up military courts to punish people whose acts harmed the independence of the Democratic Republic of Vietnam, forbidding the people to serve as soldiers for, sell food to, or serve as lackeys for the French aggressor army, etc. Thereafter the state promulgated many other criminal law documents, adhered to the requirements of each revolutionary phase, and contributed to ensuring the implementation of those requirements. All of those documents had a positive effect. But in comparison to the new

revolutionary phase, a number of them are no longer appropriate, they do not cover many crimes, and the criminal law policy is not complete.

The promulgation of the criminal code is necessary to contribute to ensuring the fulfillment of the two strategic missions--building socialism and defending the socialist state--and the carrying out three revolutions (the revolution in production relations, the scientific-technical revolution, and the ideological-cultural revolution), defend the leadership of the Party, defend the collective mastership right of the people, and ensure the effectiveness of state management.

The criminal code was drafted under the close leadership and concern of the party and government. The draft was presented many times to solicit the opinions of the organs, mass organizations, echelons, and people. The mechanism of the party leading, the people serving as the collective masters, and the state managing was observed in the process of preparing the criminal code.

The criminal code crystallizes our state's actual experiences in struggling to prevent and fight crime, especially since the nation was unified. In addition, selected experiences of the socialist countries and the progressive tendencies of modern jurisprudence were studied.

The Criminal Policy and Viewpoints Regarding Crime and Punishment

The criminal code stipulates in a concentrated, unified manner all matters regarding crime and punishment and the application of punishment, and comprehensively manifests the criminal policy of the Party and state in the present revolutionary phase. The spirit of that policy is to actively prevent, and resolutely and absolutely fight, crime. It is extremely stern but also lenient to the proper degree. It metes out suitable punishment but does not regard education and reform lightly.

a. The criminal code clearly manifests the viewpoints of our Party and state regarding crime and punishment.

1. A crime is above all an act that endangers society, i.e. has caused considerable harm or has a real capability of inflicting considerable harm on society. There are many factors in determining whether an act is or is not a crime, of which the basic factor is the danger posed to society by that act. Specifically, the following acts are crimes: acts which violate the "independence, unity, or territorial integrity of the homeland; violate the socialist state system, economic system, or ownership system; violate the lives, health, honor, dignity, freedom, property, rights, and other legal interests of citizens; or violate other spheres of socialist legal order." (Article 8 of the Criminal Code).

2. Punishments are intended to punish, but that is not the only goal. In the socialist system punishments are also intended to educate and reform criminals so that they can be useful to society, not commit crimes again, and be conscious of obeying laws. They also serve as a warning so that others will not commit crimes. In that spirit, while maintaining capital punishment or

life in prison as special forms of punishment in especially serious cases, limited imprisonment, etc., the criminal codes stipulate a number of new punishments, such as reform without imprisonment and reform in military discipline units to apply toward citizens or military personnel who commit less serious crimes for which imprisonment is deemed unnecessary.

b. On the basis of viewpoints regarding crime and punishment, the criminal code stipulates the line toward dealing with crimes and punishment.

1. Crimes differ in nature and seriousness, so they are dealt with differently.

Due to the many-sided sabotage plots and acts of the external enemies and the revived activities of the class enemies in our country, crimes against national security still occur. The criminal code punishes with special severity especially serious crimes against national security (i.e. counterrevolutionary crimes), for they violate the independence, sovereignty, unity, and territorial integrity of our country and threaten the existence of our state and socialist system.

In our system the people serve as collective masters, and people are the most valuable capital. Therefore, all-out attention must be paid to their rights. Among the crimes which violate the lives, health, dignity, and honor of people, the most severe punishments are meted out to people who commit murder and inflict wounds which have serious consequences. The criminal code also especially stresses the protection of women and children.

We are building socialism on the basis of an impoverished, backward economy that was heavily damaged in the course of a long war. Therefore, socialist ownership--the basis of the socialist economy, the foundation and source of strength of the socialist regime, and the source of well-being for the people --must be strictly protected. It is necessary to resolutely punish those who commit the crimes of theft, corruption, robbery, larceny, etc., involving state and collective property.

The struggle to determine "who defeats whom" is taking place fiercely in many regards, especially economically. In that sphere it is necessary to struggle strongly against sabotage acts, exploitation, speculation, blackmarketing, the production of ersatz goods, and the disruption of the socialist market. In management activities must ensure the collective centralized, unified leadership of the central echelon with regard to basic matters throughout the nation, and expand the right of the sectors and echelons to take the initiative and be creative in production and commercial activities, especially the basic level. In that spirit, the criminal code carefully considered actions which must be regarded as crimes. In general it only regards as crimes acts which deliberately violate laws for personal profit and have serious consequences, or acts by people who have been dealt with administratively but continue to deliberately commit violations. With regard to the punishable economic crimes, it is necessary to fully understand the line of the party and state to eliminate the bureaucratic-subsidy administrative mechanism and resolutely change over entirely to socialist economic-commercial accounting.

The party documents often stress the necessity of dealing strictly with the abuse of authority to oppress the masses. In that spirit, the criminal code devotes an entire chapter to crimes regarding authority and a chapter regarding crimes related to violations of judicial activities which embodies the teachings of President Ho Chi Minh: cadres must be servants of the people and legal cadres, who have the final say, must be truly pure, fair, and impartial.

The criminal code also stipulates a number of crimes in order to serve the scientific-technical revolution and the ideological-cultural revolutions. But it also takes into consideration the characteristics and level of development of our society at present. Especially in the sphere of building a new culture, a new way of life, the new man, and socialist marriage and family, it is necessary to oppose the old and build the new and build the new to oppose the old. It resolutely opposes the old way of life, the backward, superstitious customs, and the remaining social evils. However, it does not charge people with crimes in order to carry out indiscriminate punishment, but only but imposes criminal punishments only when truly necessary.

2. People who commit crimes have different circumstances, and they commit crimes for different reasons and goals, use different means, and bring about different consequences. In a crime committed by many people, the role of each differs. Some people have committed crimes for the first time and others have committed crimes many times. Only if each case is dealt with suitably and appropriately will it be possible to attain the goals and bring into play the effect of the criminal policy. The criminal code distinguishes between people who must be sternly punished and those who may be treated leniently.

Those who are hostile toward and oppose the revolution will be sternly suppressed and those who obstinately oppose us, hooligans, thugs, and dangerous recidivists will be punished very severely. Cadres who are degenerate and debauched, abuse their positions and authority to commit crimes, seriously abuse the mastership rights of the people, participate in corruption and bribery, and are accomplices for bad people must also be sternly punished.

With regard to organized crimes, i.e. those in which many people closely ally to commit crimes, their dangerous nature is increased. The ringleaders, leaders, and commanders who play the most important roles must be punished most sternly.

People who are sincerely repentant, confess, denounce their cohorts, achieve merit to redeem themselves, and voluntarily repair or compensate damage they have done will be treated leniently. Leniency means being punished more lightly than usual and in special cases may mean exemption from punishment or criminal responsibility.

3. With regard to minors (people under 18), the criminal code makes a number of separate stipulations which reflect the policy of the party and state regarding the protection, care, and education of minors.

Even if they commit serious crimes children under the age of 14 will not be held criminally responsible because they are incapable of understanding and controlling their actions. Toward such children there will be applied such social measures as being turned over to the custody of social organizations or families or being sent to reform schools.

Minors over 14 are criminally responsible, depending on the degree of seriousness of their criminal acts. They will be subjected to measures of a preventive, educational nature, such as undergoing counselling or being sent to reform schools. They will be sent to jail only if they commit serious crimes and must be isolated from society for a time.

[3 Jul 85 p 3]

[Text] Every Echelon and Organ Must Organize the Good Implementation of the Criminal Code

Struggling against crime is a mission of the state and of society as a whole, under the leadership of the Party. The introduction to the criminal code states that "The strict enforcement of the criminal code is the common mission of all state organs, the social organizations, and all the people." The reason is easily seen: if the criminal code is to have the effect of protecting the results of the revolution and ensuring the victorious implementation of the revolutionary missions, all state organs, social organizations, and citizens must strictly obey the stipulations of the criminal code and do nothing forbidden by the code. Furthermore, they must prevent and struggle against the committing of crimes by other places and other people.

a. Everyone must understand the stipulations of the criminal code to a certain degree, depending on their category, so that they can obey it and force others to obey it. Therefore, propaganda, dissemination, and education regarding the criminal code in the state organs and social organizations and among the people is one of the foremost tasks in organizing its implementation. That task must be carried out immediately, according to plan, in order to gradually attain the necessary degrees of depth and breadth, and must then be continued on a regular basis.

Propaganda, dissemination, and education regarding the criminal code must be tied in with propaganda, dissemination, and education regarding the other relevant legal documents. For example, it is necessary to clearly understand the stipulations regarding the democratic rights of citizens so that acts which violate those rights can be avoided. By understanding the stipulations regarding the setting up of funds people will avoid the illegal setting up of funds.

Education regarding the criminal code is part of the political-ideological education work, of the work of creating and increasing consciousness of mastership, and of the work of teaching socialist morality. A stable political level, strong consciousness of mastership, and pure socialist morality also cause people to be enthusiastic toward the nation's beautiful future and struggle resolutely against crimes and other violations of law.

b. In order to struggle effectively against crime it is necessary to pay attention to both aspects: punishment and prevention. Punishment must be prudent and objective but also quick and prompt. It must be directed toward the right person for the right crime and must be in accordance with the law and the policy. People who are guilty must not be allowed to slip through and innocent people must not be punished.

Punishment is only meted out for violations that have already occurred. Thus punishment alone is insufficient. Another basic concern is to stop crimes before they can occur. In their work the judicial organs cannot restrict their responsibility to conducting trials. In conducting trials they must seek out the reasons and conditions which gave rise to the crime and recommend that the relevant organs and organizations take steps to eliminate those reasons and conditions. Crimes can thereby be stopped and eliminated at the roots.

The other state organs and the social organizations are responsible for preventing crimes in the sphere of their work. Article 4 of the criminal code states that "The state organs and the social organizations are responsible for educating people under their management to heighten their revolutionary vigilance and consciousness of protecting and obeying the law and respecting the rules of socialist life. They must promptly take steps to eliminate the factors and conditions giving rise to crimes in their organs and organizations." Those measures include many types: they may be legal measures (such as correcting and supplementing lax work regulations that create conditions for crimes) or sometimes technical measures (for example, improving fencing so that crooks cannot enter).

The state organs and the social organizations must do a good job of carrying out investigations and supervision. People who violate laws should be promptly brought to justice or sent to other places with authority to bring them to justice. If acts which violate laws are not dealt with promptly and correctly other violations of law, even crimes, may be encouraged. When a crime is committed in their unit, state organs and social organizations must immediately report it to the public security police and the procurator, and create all conditions for those organs to do their work.

Under the light of the resolutions of the Fifth Party Congress and the sixth, seventh, and eighth plenums of the Party Central Committee, our people are bringing about real transformations in all regards, promoting production, stabilizing living conditions, and consolidating security and national defense. The correct implementation of the criminal code will contribute to strengthening socialist order and state discipline, and contribute positively to those transformations.

5616

CSO: 4209/573

MILITARY AFFAIRS AND PUBLIC SECURITY

ARMY PAPER DISCUSSES INDUCTION TASK OF LOCALITIES

BK171402 Hanoi Domestic Service in Vietnamese 2330 GMT 11 Aug 85

[QUAN DOI NHAN DAN editorial: "Calling Up Youths for Induction Into the Army"--date not given]

[Text] Firmly grasping the two strategic tasks--building and defending the fatherland and realizing the strategically important task of building a firm and strong all-people national defense and a standardized people's revolutionary army to defeat all aggressive enemies--various localities over the past 3 years have made great efforts to implement the military obligation law.

Each year, tens of thousands of youths from localities, organizations, and schools have enthusiastically joined the army, thereby contributing to strengthening the armed forces. Tens of thousands of others who have gloriously completed their military service are returning to their homes to engage in labor activity and national construction, while serving as a core for the militia and self-defense forces. In so doing, they create many positive factors for the socialist revolution of our country.

However, various conferences to review the implementation of the military obligation law in localities and induction task at some places have found that shortcomings and weaknesses are still prevalent. They must be promptly overcome. Dissemination of the military obligation law has not been carried out intensively. Many localities carried out this task in a very general manner or directed the task only at youths at the age for induction.

Implementation of the law is not scrupulous. Some localities pay attention only to quantitative rather than qualitative results, while others carry out the recruitment task unscrupulously.

According to localities which have satisfactorily carried out the youth induction task over the past several years--such as Long An Province; Dong Trieu District, Quang Ninh Province; Hoa Vang District, Quang Nam-Danang Province; the 11th precinct of Ho Chi Minh City; Vu Ban District, Ha Nam Ninh Province; (Vu Tu) village, Vinh Phu Province; and Hong Phong and Binh

Duong village, Quang Ninh Province--implementing the military obligation law is the duty of the entire party, people, and army; if a small part of the implementing system goes awry, no satisfactory results can be obtained.

If the parents do not thoroughly understand the induction policy and do not motivate and encourage their sons to join the army, their sons will have less enthusiasm, which will affect their performance in the army. If an organization or enterprise head, for some reason, puts the interest of his small unit above the common interest of national security, then he is tantamount to creating difficulty for troop induction.

The most important thing is the quality of combatants. Various military units are dutybound to train and forge youths during their military service. However, before joining the army, they must be mature and have goals. This training lies in the educational process within families and society and plays a very important role in the quality of combatants. For this reason, it is necessary to have a uniform effort from society to help produce the combatants we need.

The dissemination of the military obligation law must be aimed at all objective groups in order to fully develop the duty of all echelons, sectors, localities, and mass organizations. On the other hand, the correct and serious implementation of the law in each phase of induction will greatly encourage the masses and motivate youths to enthusiastically join the army to perform their sacred duty toward the fatherland. Such phenomenon as implementing the law arbitrarily, unjustly, and irrationally; failing to produce good examples; and vigorously motivating youth to join the army but paying little attention to them upon their return home after their military service will bring about bad consequences.

All military units are dutybound to coordinate with localities to disseminate the military obligation law and to mobilize the youths to enthusiastically participate in national defense task. When receiving new combatants to their units, they must make prompt arrangement to care for the material and spiritual lives of these combatants; train, educate, and create conditions for them to quickly become good soldiers of the VPA; and help them to enhance their combat willpower, their consciousness in organizing and observing discipline, and their firm combat ability, thereby fulfilling all combat and other tasks.

The length of required military service for a youth is very short compared with the length of time a citizen must implement the military obligation law. For this reason, military units must satisfactorily implement various policies and systems on treating combatants who have completed their military service, creating favorable conditions which develop fine army traditions, so that when they return to their homes, they will enthusiastically engage in production and positively join with the militia and self-defense forces or other military reserve forces--standing ready for combat when the fatherland needs them.

CSO: 4209/584

MILITARY AFFAIRS AND PUBLIC SECURITY

MAI CHI THO ATTENDS HO CHI MINH CITY CEREMONY

BK190932 Hanoi Domestic Service in Veitnamese 2300 GMT 18 Aug 85

[Text] On the morning of 17 August, the party, people's, and VFF committees of Ho Chi Minh City held a solemn meeting at the city's theater to mark the 40th anniversary of the founding of the Vietnamese people's public security forces, 19 August 1945-19 August 1985.

Attending were Comrades Mai Chi Tho and Phan Minh Tanh, members of the party Central Committee and deputies secretaries of the city party committee; Le Van Triet, alternate member of the party Central Committee and vice chairman of the city people's committee; Tran Quoc Huong, member of the party Central Committee and vice chairman of the State Inspection Commission; and Cao Dang Chiem, member of the party Central Committee and vice interior minister. Representatives of the 7th Military Region Command, the Naval Command, and the Air Force Command; the comrade leaders of the city's party, people's, and VFF committees; representatives of the various departments and sectors of the central echelon and the city; veteran cadres of the revolution; members of fallen heroes' and war invalids' families and families who have rendered meritorious services to the revolution. A large number of outstanding cadres and combatants of Ho Chi Minh City's public security forces were also present.

After an opening speech by Comrade Mai Chi Tho, Comrade Le Thanh Van, director of the city's public security service, read a report on the achievements of the Vietnamese people's public security forces in general and of the city's public security forces in particular over the past 40 years that have made notable contributions to the cause of national liberation, construction, and defense.

CSO: 4209/584

MILITARY AFFAIRS AND PUBLIC SECURITY

BRIEFS

PUBLIC SECURITY MEDALS' PRESENTATION--On the occasion of the 40th anniversary of the founding of the Vietnamese People's Public Security Forces, the Ministry of Interior held a solemn ceremony in Hanoi on the afternoon of 17 August to present the Military Service Order First Class and the For the Fatherland's Security medal, awarded by the party and state, and the National Security Defense medal, bestowed by the Ministry of Interior, to high-ranking cadres of the People's Public Security Forces who have been credited with many outstanding achievements over the past 40 years. On behalf of the party and state, Comrade Pham Hung, members of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of interior, presented the first batch of the Military Service Order First Class and the For the Fatherland's Security medal, and the National Security Defense medal to comrades Tran Quyet and Tran Dong, members of the party Central Committee and vice interior ministers; Nguyen Minh Tien, vice interior minister; (Quich Quy Hoi), secretary of the party committee of an organ of the Ministry of Interior; and many high-ranking cadres of the People's Public Security Forces. [Text] [Hanoi Domestic Service in Vietnamese 2300 GMT 18 Aug 85 BK]

CSO: 4209/584

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

JAPANESE FIRM MAY AID VIETNAM IN OIL EXPLORATION--After a visit to Vietnam in April of this year by a Japanese commercial delegation organized by the large Nissho Iwai trade combine, the Kaiyo Oil and Gas Corporation announced that Vietnam had recommended that Kaiyo cooperate in developing an oil well in the South China Sea. That corporation announced that it had unofficially requested the Japanese Government to provide financial assistance so that it can participate in that project. [Text] [Paris DOAN KET in Vietnamese Jul 85 p 29] 5616

CSO: 4209/575

PARTY ACTIVITIES AND GOVERNMENT

STRONGER PARTY LEADERSHIP OF YOUTH WORK URGED

Hanoi NHAN DAN in Vietnamese 10 Jul 85 pp 1, 4

[Editorial: "Strengthen the Party's Leadership over Youth Work"]

[Text] Our Party always regards the youth proselytizing work as a very important mission of strategic importance in ensuring the continuation and constant development of our regime and both the present and the bright future of our people. In the revolutionary periods our Party and Uncle Ho continually paid attention to the youth work and to educating and motivating the young generation to enthusiastically study, work, and fight and contribute worthily to the glorious, historic victories of the nation. Youths are assault forces who take the lead in all spheres and in fulfilling the two strategic missions: building and defending the socialist homeland.

Our people are heroic, our Party is great, and our youth are revolutionary. Everywhere and on all fronts--national defense and security, production labor, culture and education, or science and technology--our youths manifest revolutionary heroism and a spirit of collective mastership. We have the right to be proud of the glorious revolutionary tradition and great contributions of our youths to the socialist homeland and the well-being of the people, including youths.

In addition to the basic good points, our youths have revealed weaknesses and deficiencies. In general, the level of socialist awareness, sense of responsibility, and consciousness of organization and discipline of youths are still low. A considerable number of youths have not yet confirmed correct ideals and struggle goals, their consciousness of socialist collective mastery and self mastery is still deficient, they are still vague with regard to the struggle between the two paths, they are wavering in the face of the nation's difficulties, and their struggle will has weakened. A way of life of pragmatism, selfishness, decadence, violating state laws, laziness toward labor and study, and superstition is still observed on the part of some youths. That is a worthy of our entire party and society. The Youth Union organizations at the basic level are still weak, the number of Youth Union members is still small, and their quality is not yet high. The corps of Youth Union cadres is numerically deficient and weak. The contents, forms, and work methods of the Youth Union and the youth proselytizing work have been renovated slowly and bureaucratism and formalism are still widespread.

There are many objective reasons for those weaknesses and distortions, but primarily they are caused by the fact that there are still many deficiencies in our organizational and ideological work. Noteworthy is the fact that many party committee echelons and governmental administrations have not yet truly paid attention to the youth work and have thus relaxed that work and vigilance toward the many-sided war of destruction waged by the enemy against our people in hopes of winning over and poisoning our youths. Among cadres and party members there is still a narrow, irresponsible attitude toward youths. They do not see their fine nature but only see the negative aspects of some youths, are not yet concerned with the interests of youths, and do not yet make efforts to meet the requirement of the wholesome development of youths in material and spiritual life, but regard the training and cultivation of youths lightly. It must be said that degenerate cadres and party members, and the lack of a sense of responsibility on the part of many families, have adversely influenced the thought, way of life, sentiment, and actions of youths.

The struggle between the two paths in the initial phase of the period of transition to resolve the question "Who defeats whom?" is taking place fiercely. The enemy are endeavoring to win over youths. Our country is both at peace and must cope with a many-sided war of destruction waged by the Chinese expansionists and hegemonists in league with the U.S. imperialists and the other reactionary powers. We must positively and actively educate youths and arm them with sharp ideological weapons, and teach them revolutionary traditions and a spirit of revolutionary vigilance, maintaining combat readiness, and fighting skilfully for the socialist homeland and for the well-being of the people. Our country occupies an important strategic position in southeast Asia and is living in extremely complicated regional and world circumstances, and the enemies of our people and the people of the three Indochinese countries are stepping up their nefarious acts. Our youths must manifest a spirit of socialist internationalism and be prepared to fulfill our international obligations and contribute to the struggle for peace and security in the region and the world.

Youths must be assault forces who take the lead in fulfilling the two strategic missions: building and defending the socialist homeland. Our people have the mission of attaining the economic-social goals set by the Fifth Party Congress, preparing the 1986-1990 five-year plan, creating the premises for the large-scale socialist industrialization of the nation and enabling it to become prosperous and happy. That great, glorious enterprise, that noble enterprise of many generations of Vietnamese during the next several decades, depends above all on the youth generation of today and tomorrow who, under the leadership of the Party, emulate the great Uncle Ho in living, fighting, working, and studying and devote everything to that great undertaking. The common direction for our youth work is to bring into play the revolutionary traditions, and heighten the socialist consciousness and spirit of collective socialist mastership of youths, bring into play their spirit of creative labor and brave combat, and resolutely overcome deficiencies and distortions among youths.

The basic missions of the youth work are teaching revolutionary ideals and morality, and bolstering the collective mastership spirit and ability of the young generation. A mission of strategic significance is training and

cultivation of youths so that they can become new workers who exercise collective mastership, have the noble revolutionary ideals of independence, freedom, and socialism, have a spirit of socialist internationalism, carry on loyally and outstandingly the undertaking of the Party and nation, have a wholesome way of life, and correctly resolve relationships with their families, groups, comrades, love and friendship, etc. That mission must be carried out by means of a seething, extensive revolutionary action movement among youths, on the economic, national defense, security, cultural, and social fronts. The thought and action of our youths of today must be to "go anywhere and do anything for the socialist homeland and the well-being of the people."

Teaching revolutionary ideals and morality to youths must be accompanied by adequate attention to the interests of youths. In addition to encouraging youths to make increasingly greater contributions to the revolution, the party organizations, governmental administrations, and mass organizations must pay attention to the interests of youths. If attention is not paid to the legitimate wholesome interests of youths, teaching them ideals and belief will have no significance and it will thus be difficult to create a revolutionary action movement among youths. Beginning now, the sectors and echelons must have plans to actively provide jobs for youths, especially those who have been trained or have been discharged from the army, develop work-study schools and vocational training centers, and develop all capabilities of the locality and the production bases in order to expand the sectors and trades and employ young workers. There must be specific policies regarding the vital interests of youths and their collective mastership right in the spheres of social activity and right to participate in economic and social management must be ensured.

Strengthening the leadership of the Party and building Ho Chi Minh Communist Youth Union chapters that are strong politically, ideologically, and organizationally are factors which determine all victories of the youth movement. The party committee echelons must have plans and measures to build and consolidate Youth Union bases and able the Youth Union organization to truly be the assault force of the revolution, the combat reserve unit of the Party, and a communist school for youths. Building a strong Youth Union demands a corps of enthusiastic, ardent Youth Union cadres who are capable of grasping and applying the lines and policies of the Party among youths. Therefore, it is necessary to pay more attention to improving the quality of outstanding Youth Union members so that they can be admitted into the Party.

The Party's leadership of the youth work must be concretized in the state's management role by always regarding the youth work as an important part of the economic-social strategy. The party committee echelons must provide leadership and the state organs must create conditions for youths to participate in economic management, first of all by encouraging them to take the lead in implementing the resolution of the Eighth Plenum of the Party Central committee regarding prices, salaries, and money, and completely eliminate bureaucratic-subsidizing concentration and change over completely to socialist economic accounting. In organizing a revolutionary action movement for youths, in addition to strengthening ideological education it is necessary to pay all-out attention to the interests of youths, meet their educational

needs, respect their political rights, and improve them with regard to health and culture. Especially, it is necessary to provide them jobs and organize their lives.

Strengthening the Party's leadership of the youth work must be manifested specifically in the role of party chapters. Party chapter activities must include the contents and practices of monitoring leadership the youth work, carrying out criticism and self-criticism, and overcoming narrow attitudes and failure to correctly evaluate the quality of youths. All party members in the youth age bracket must participate in Youth Union activities, fulfill their Youth Union member missions well, and be progressive Youth Union members. The party chapters must be concerned with creating and multiplying advanced models, emphasize good people and good deeds, and continually gain experience and make recapitulations in order to improve the quality of the youth proselytizing work at the basic level. All cadres, party members, and families must clearly realize their responsibility of educating and proselytizing youths, above all by setting a good example with regard to revolutionary virtue, way of life, and general outlook.

Youths are dynamic and like activity, and in today's society there is much new knowledge and many new needs, which demand that the Youth Union organizations have new proselytizing forms and modes which are appropriate to youths and are highly effective. The revolutionary situation and missions demand that the Party strengthen its leadership of the youth work and regard it as having important strategic significance with regard to the revolution and the nation's future, as pointed out by the Political Bureau resolution regarding the youth work. Our youths must be worthy of the confidence and concern of the Party and society, and must devote all of their ability and youth to the enterprise of building and defending the socialist and attaining the goals of the resolution of the Fifth Party Congress, and above all the resolution of the Eighth Plenum of the Party Central Committee on prices, salaries, and money, and enable our country's economy to undergo new development.

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CSO: 4209/575

PARTY ACTIVITIES AND GOVERNMENT

CPV SECRETARIAT DIRECTIVE ON LEADERSHIP OF YOUTH

BK181048 Hanoi Domestic Service in Vietnamese 2300 GMT 12 Aug 85

["Text" of 8 August CPV Central Committee Secretariat Directive]

[Text] On 4 July 1985, the party Central Committee's Political Bureau issued a resolution to intensify party leadership over youth work. The organization and implementation of this resolution must be aimed at fulfilling the following requirements:

- a. Create better knowledge of and viewpoints on the task of motivating youths in the party organizations of all levels, government organizations, the armed forces, and social organizations, and among cadres, party members, and people.
- b. Strengthen the leadership of all party committee echelons, uniformly coordinate the sectors at all levels, develop the function of all mass organizations, and create the seething and widespread youth movement for revolutionary acts in order to successfully implement the socioeconomic duties set forth in the resolutions of the fifth party congress and the party Central Committee, and immediately implement the party Central Committee's eighth plenum resolution and victoriously fulfill the 1985 state plan.
- c. Establish and implement well the systems and patterns for guiding the youth task at all levels, and promote the political role of the Ho Chi Minh Communist Youth Union.

In order to fulfill the abovementioned requirements, all party committee echelons and all sectors should satisfactorily implement the following main duties:

1. Provide close guidance for the dissemination of study of the resolution. The leading cadres of the party, government, and mass organizations at all levels must firmly grasp the contents of the resolution and the viewpoints, guidelines, tasks, and methods of motivating youths in the new stage.

On the basis of thoroughly understanding the resolution, all party committee echelons, government agencies, and mass organizations from the central down

to grassroots levels must institute a plan to implement the resolution in accordance with their functions and duties. The plan must specify tasks to achieve practical results. The results of each task must be periodically reviewed and assessed.

2. The education of youths on revolutionary ideals must be combined closely with the organization of the youth movement for revolutionary acts to implement the various guidelines and policies of our party and state, especially the resolution of the party Central Committee's eighth plenum.

Sectors at all levels and the Ho Chi Minh Communist Youth Union must provide specific guidance for conducting education and propaganda tasks to make youths clearly understand the spirit and basic contents of the party Central Committee's eighth plenum resolution. The youth movements and youth union organizations in each sector and each primary installation must set forth and initiate action plans to actively help successfully implement the resolution, to struggle against and overcome the negative influence of bureaucratism and subsidization, to build and perfect the new management system in production and business, and to build new behavior toward labor, work, and study.

3. All party committee echelons and the Ho Chi Minh Communist Youth Union must constantly be aware of the situation of basic youth union organizations; take urgent and positive action to enhance the quality of these organizations; and make the youth union really a nuclei in gathering, uniting, educating, and organizing youths under the revolutionary movements in each unit and in all fields of operations.

This is an important program to intensify party leadership over youth tasks. All party committee echelons should receive periodic reports on the youth tasks and give specific guidance for enhancing the quality of youth union organizations, improving the operational method of the youth union, and conducting basic and advanced training of the union cadres.

4. Depending on their functions and duties, state agencies at all levels should institute and implement necessary policies and systems to create favorable conditions for the youth union to organize youth movements for revolutionary acts, to develop youths' collective mastery, and to take care of youths' legitimate interests.

5. The Ho Chi Minh Communist Youth Union Secretariat should provide specific guidance for youth union organizations at all levels to establish and implement youth action programs, especially at the grassroots level, so as to fully implement the spirit and contents of the Political Bureau resolution. By the end of 1985, a preliminary review of the results and experiences in implementing the resolution nationwide must be made.

The Central Committee department of civil proselytizing is dutybound to coordinate with the Central Committee department of organization to help the party Central Committee Secretariat follow up and control the implementation of this resolution of the Political Bureau.

CSO: 4209/584

PARTY ACTIVITIES AND GOVERNMENT

NHAN DAN CRITICIZES MANAGEMENT OF STATE-RUN BUSINESS

BK180336 Hanoi Domestic Service in Vietnamese 2300 GMT 11 Aug 85

[NHAN DAN 12 August editorial: "Implementing the Resolution of the Fifth Party Central Committee's Eighth Plenum, Let Us Develop Socialist Services"]

[Text] The socialist trade sector nationwide is striving to surge forward to intensify management and master the market. The operational procedures have been updated to link business with services. The state-run trade and marketing cooperatives have been expanded by increasing retail sale outlets and mobile sale stalls, and by using incentives to encourage trade personnel to increase business income. The buying and selling activities of many trade units have become more dynamic. The control of commodities--especially food products and pork--and money has gotten better. The behavior of sale personnel has definitely improved.

However, in general, the state-run trade is still improving slowly. It still cannot control the market and prices. It is noteworthy that no clear progress has been made in the field of food catering and other services. Service quality is still poor and service behavior is still improper. In some localities, although some restaurants have been opened by the state-run trade sector, they account for a very small percentage of public food catering services because of their poor quality and managerial control.

The people's demands for services are abundant and diversified, depending on localities and the strata of people. These demands have not been fully met by socialist trade sector. For instance, the guarding of bicycles and motorcycles has been organized in some localities, but, due to loose state control, the costs for the guard service have been increased above that which legitimate profit allows. As a result, in everyday life, a large amount of the workers' money is pouring into privately run restaurants that provide such guarding services at high costs. Thus, the free market activities of services are adversely affecting the take-home pay of workers, civil servants, and armed forces members.

If the state-run tailor shops and watch repair shops provide poor and slow services and fail to respond to customers' desires, customers will seek

private services. At present, anyone who must pay for the repair of his house or the building of a new house, for the repair or installation of a water pipe, for the repair of a fan, a bicycle, a radio, a television set, and so forth, will always seek private services. These privately run service shops always have enough cement, bricks, tiles, steel, water pipes, ball bearings, and other valuable parts to meet their customers' demands. We are all smart enough to know that all these parts and materials have come from the state warehouses.

The development of socialist services and the managerial control of private services should go together. The socialist service sectors should quickly eliminate bureaucratic centralism and the ills of state subsidies, completely shift to socialist accounting and business transactions, and vigorously develop its service network. It should operate in a civilized and courteous manner, thoroughly understand the idea of linking service with business operations, and consider service a goal and business a means. If a state-run shop that is given exclusive rights to sell beer because of shortages compels its patrons to also buy appetizers, this shop is adopting an authoritarian attitude and merely pursuing financial profit. It does not meet the people's legitimate demands for refreshment, and it creates unbecoming scenes of drinking revelry.

By developing good management and enhancing the quality of the socialist service sector, we will help control the market and stabilize the working people's livelihood in accordance with the resolution of the party Central Committee's Eighth Plenum.

CSO: 4209/584

PARTY ACTIVITIES AND GOVERNMENT

NHAN DAN ON MARKETING COOPERATIVES

BK180417 Hanoi Domestic Service in Vietnamese 2300 GMT 9 Aug 85

[NHAN DAN 10 August editorial: "Implementing the Resolution of the Party Central Committee's Eighth Plenum, Let Us Strengthen Marketing Cooperatives"]

[Text] The socialist trade sector, which consists of the state-run trade sector and marketing cooperatives, is not surging forward to control goods and money and to change the business methods so as to actively support production and the people's livelihood. Marketing cooperatives, which act as a capable assistant to the state-operated trade sector, have contributed considerably to the struggle for the right to mastery over the market of the socialist trade sector.

Regarding the control of goods, over the past few years the marketing cooperative sector has purchased a volume of goods worth almost 30 billion dong from various localities. One-half of this volume--which includes farm products, foodstuffs, and small industrial and handicraft items--was for the state-run trade sector and the other half was for resale by itself. The sector's retail and service network has increased by more than 7,100 outlets, thus bringing to almost 31,000 the total number of retail and service outlets at various villages, hamlets, and markets. As a result, a little more than 6 months the sector was able to achieve a sale value of almost 30 billion dong. This figure, which is almost equal to the total sale value of 1984, includes goods sold through both dealers and its own sale and food and beverage service network.

By expanding its activities in an increasingly proper direction, the marketing cooperative sector not only contributes realistically to the establishment of the socialist trade network, the transformation of private trade, and the management of the market, but also contributes worthily to the task of directly controlling goods and money and managing the market, and the implementation of the party Central Committee's Eighth Plenum resolution.

It must be said that recently in many localities, the people have appreciated the activities of marketing cooperatives. In certain places, these cooperatives have operated even better than a number of state-run stores in terms of administrative, technical, and professional work. Faced with the new

requirements, the collective trade sector should surge forward even more vigorously to stay close to all areas and expand its network to all hamlets, city wards, villages, and grassroots units. Meanwhile, the state-operated trade sector must assist the collective trade sector more actively in delivering merchandise to various sale outlets and dealers, and must step up inspection and supervision work to ensure that goods are sold exactly in accordance with the price system stipulated by the state.

It is necessary to invest appropriately in the building of material bases for the socialist trade sector. It is also necessary to consolidate and change the numbers of managerial personnel and vendors, and ensure that the socialist trade sector serves the people with civility. This is intended to enable customers to enjoy convenience and have confidence in the quality of the products at marketing cooperative stores.

Efforts must be made to revise various policies and procedures concerning tax, credit, and discounting in order to create favorable conditions for the marketing cooperative sector to develop itself, to establish a new business management system, to completely abolish bureaucratism and subsidization, and to implement socialist accounting and business.

Under the direct leadership of the local party committee echelons and administrations, each establishment as well as the entire marketing cooperative sector should further develop its dynamism in business transaction in strict accordance with the policies and procedures in force and provide adequate material incentives for those cadres and employees who have done a good job of tapping various sources of goods, who show good quality, display civility and courteousness in serving customers, and achieve high efficiency in work and business transaction.

The concrete tasks of various business units in the marketing cooperative sector are to closely monitor the requirements of production and life, buying what the people want to sell and selling what the people want to buy on the basis of reasonable negotiated prices so as to control the bulk of agricultural products in the localities. They should open more retail outlets, extend business hours, and pay attention to producing and processing by themselves staple consumer items, especially reasonably priced, good quality agricultural products and foodstuffs, so as to increase goods supplies in the market. They should expand various forms of service, including common services such as tailoring; repair of bicycles, radios and television sets, water supply and electrical equipment, and household appliances; and bar-baring.

At present, in their daily life, the people have, in addition to food, many other diversified needs to be satisfied. Marketing cooperatives are precisely the establishments that can respond to these needs in the most expeditious and favorable manner. In doing so, they should seriously comply with the regulations concerning service fees.

Another major task of the marketing cooperative sector is to actively participate in transforming private traders by organizing and employing them to perform such duties as buying and selling, producing goods under contract, processing products, and carrying out various services in organizations managed by the cooperatives.

Together with the state-run trade service, the marketing cooperatives should exploit all existing and potential capabilities to actively support production and the people's daily life. They should effectively participate in market management and price stabilization work and join the state-run trade service in really controlling the entire wholesale service and the bulk of retail service, thereby making worthy contributions to the application of the new managerial mechanism.

CSO: 4209/584

ECONOMIC PLANNING, TRADE AND FINANCE

HO CHI MINH CITY IMPLEMENTS NEW FINANCIAL RESOLUTION

Hanoi NHAN DAN in Vietnamese 8 Jul. 85 pp 1, 2

[Article: "Ho Chi Minh City Implements Eighth Plenum Resolution on Prices, Salaries, and Money"]

[Text] Since it began to include grain price supplements in salaries, Ho Chi Minh City has not undergone major changes in rice prices. All precincts and districts have set up guidance committees made up of the relevant sectors to promptly resolve problems that arise in the implementation process. Most of the inner-city precincts have completed the drafting of lists. While the completion of paperwork the precincts and districts must, depending on the requirements of the organs and enterprises, the households covered by the policy, and the grain sector, and on the basis of the old rice books, set aside one-third or one-half of the rice sold to cadres, workers, and civil servants.

The municipal grain corporation promptly sent a large amount of high-quality rice to the precincts and districts, along with samples of the various kinds of rice so that the purchasers could make selections. The financial and banking sectors made all-out efforts to rapidly transfer money to the precincts, districts, organs, and enterprises. Many precinct and district grain corporations have also prepared additional kinds of processed grain products to sell extensively in the agencies. In Precinct 5, after examining the lists of cadres, workers, and civil servants of the central and local organs and enterprises in the precinct, recovered 120 tons of rice which had been purchased by those units in excess of the standards and the number of employees. Because they promoted sales, in a period of 3 days the precinct and district grain corporations deposited in the municipal bank 60.8 million dong in cash.

In addition to making up for grain prices, Thu Duc and Precinct 10 also made up for the prices of five rationed goods--meat, fish, sugar, MSG, and fish sauce, and nonrationed goods. The amount of price differential payments closely follows the market price, so there is far less selling and reselling. Arrogance in the commercial stores has greatly declined and service is more civilized and polite. In Precinct 10, after 3 months of paying grain price supplements the market prices of the above-mentioned five prices of the above-mentioned five products were stable (except the meat and fish sauce, the

prices of which were adjusted in June to conform to the city's prices), because the precinct commercial sector ensured continuous sales and met 90 percent of the consumption needs of the people in the precinct. The precinct general commerce corporation is a unit which primarily supplies those five products to the market. Therefore, its retail prices reflect with relative accuracy the precinct's consumer needs. In comparison to March (before the price supplements), during the past 3 months demand has not risen greatly and the demand for some products has declined. The price supplements have not upset the market, cadres have not been harmed, and many artificial needs have been eliminated. The commercial sector has conditions for practicing commercial accounting and reorganizing its personnel. It released a rather large number of workers who engaged in distributing necessities in accordance with the bureaucratic-subsidy mechanism. Since August Precinct 10 has continued to pay price supplements for the remaining three products: kerosene, fish, and cloth.

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CSO: 4209/574

ECONOMIC PLANNING, TRADE AND FINANCE

VINH PHU BEGINS PAY SUPPLEMENTS

Hanoi NHAN DAN in Vietnamese 2 Jul 85 pp 1, 4

[Article by Nguyen Thao: "Vinh Phu Implements Pay Supplements Beginning 1 July"]

[Text] Implementing the resolution of the Eighth Plenum of the Party Central Committee (fifth term), Vinh Phu Province has decided to implement pay supplements and include the supplemented pay in the production costs of products (in enterprises), beginning 1 July. The products the prices of which are calculated in making pay supplements include nine rationed products and six nonrationed products. The people receiving pay supplements include cadres, workers, and civil servants employed by the state in the production and administrative sectors; retired and disabled cadres and their dependents; village and subward cadres eligible for the ration system; student at higher schools and vocational middle schools; students at provincial vocational schools; and people covered by the ration stamp or subsidy book policies, such as official disabled veterans, relatives of war dead, families with merit toward the revolution, and people who have third-shift, unhealthy, or hospital jobs. The pay supplements to make up for the prices of supplied items are calculated according to the present market prices. With regard to the six unrationed, the salaries of cadres, workers, and civil servants are supplemented by a certain amount of money every month. As regards the four principal items--grain, meat, fish sauce, and fish--the organs and enterprises are setting up goods purchasing books of a managerial and control nature to ensure that they are supplied in ample amounts and regularly to cadres and workers and are strengthening market management. As the situation improves they will gradually be eliminated. In the production and commercial sectors, the supplementation of salaries for cadres and civil servants, and their dependents, which are included in production costs has begun to create conditions for the bases to implement socialist accounting and commerce and eliminate the bureaucratic-subsidy system.

In the handicraft cooperatives, wage supplements are also added to production costs.

Vinh Phu is a province with many central-level enterprises. The central budget will provide 51 percent of the pay supplement money in that sector.

The province has taken steps to strengthen its control of money and goods and its market management. Its 1985 struggle goal is to purchase 7,700 to 10,000 tons of grain, 6,500 tons of live hogs, and 3 million liters of fish sauce, and purchase outside the province 500 additional tons of fish, while at the same time expanding socialist commerce and increasing sales. The commercial sector has begun to implement the mechanism of selling many essential goods at one price.

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CSO: 4209/573

ECONOMIC PLANNING, TRADE AND FINANCE

ORGANIZATION OF JOINT STATE-PRIVATE SHOPS REVIEWED

Hanoi NHAN DAN in Vietnamese 2 Jul 85 p 2

[Article by Hong Khanh and Ngoc Hai: "Business Cooperation--A Transformative Form Combined with the Organization and Management of Private Trade"]

[Text] In the past few months, a new event has taken place in the social market, especially in municipalities and cities: more and more shops have been operating through business cooperation between the state and large and medium private commercial households. At first, only a few such shops belonging to the restaurant and beverage sector appeared late last year in Ho Chi Minh City. Throughout the country, there are now nearly 800 shops of this type which belong to all commercial sectors: restaurant and beverage, service, textile, electricity, machinery, food products, fruit, vegetables, bicycle accessories, and so on. Noting this rapid and strong expansion, many comrades have voiced their confidence as follows: "With this impetus, the transformation of the commercial bourgeoisie will be basically completed by the end of this year, as per party resolutions." Indeed, this movement is developing well, extensively and intensively. The combination of transformation with organization and management of private trade has been obviously effective and most traders have accepted this form of transformation.

Transition in a Transition

It is not by chance that in the past 6 months and beginning with more than 10 business cooperation shops, Ho Chi Minh City has set up a further 550 such shops, assembled 2,858 Category A households, 1,733 Category B households and 352 Category C households and mobilized a total capital of over 232 million dong. In a short period of time, Quang Nam-Da Nang Province has organized 52 business cooperation shops including 28 restaurants and beverage shops involving 213 traders and a mobilized capital of over 10 million dong. Long Xuyen City (An Giang Province) has 58 households dealing in textiles and ready-made clothes each of which has contributed 100,000 dong to the state to set up a business cooperation shop. In the space of only 1 week, in Dong Xuan Market (Hanoi), 92 households dealing in textiles and readymade clothes and including 70 sales counters with a yearly merchandise turnover of about 2 million meters of fabrics have also voluntarily set up a business cooperation shop with a daily income of 1.5 million dong from the sale of these goods.

The starting point is the party policy on socialist transformation of the bourgeoisie which consists of abolishing the capitalist business method and not the physical man, transferring him from exploitation to production and turning the bourgeois into a laborer. At the same time, it is necessary to consider the present balance of force between socialist and private trade. Sometimes and in some places and categories of goods, socialist trade is not yet pre-dominant in terms of material facilities, technical and professional standards, buying and selling methods, and the amount of merchandise and money. On the other hand, the economy does not yet have sufficient conditions to permit the simultaneous transfer of hundreds of people from trade to productive labor to create wealth for society. Based on these facts, many localities with Ho Chi Minh and Can Tho cities taking the lead have creatively applied the business cooperation formula to round up large and medium private commercial households to educate them and lead them onto the correct commercial path and to gradually limit and ultimately eliminate their control over the social market. The reason is that behind each large and medium private commercial household, there usually are scores and hundreds of small traders who act as intermediaries in selling goods and finding their sources and who have to borrow capital at a high interest rate. By grouping large and medium private commercial households into business cooperation shops, the state will be able not only to mobilize a noteworthy source of merchandise, money and material bases used for commercial purposes and to take advantage of their managerial technique and art but also to gradually control and supervise them, to compel them to follow the "steering wheel" of the proletarian state, and also to create more conditions to re-organize and redeploy merchandise sectors, to organize and manage the majority of small traders--a notable laboring force in municipalities and cities. At the same time, business cooperation with large and medium private commercial households is aimed at cutting off the urban private traders' relations with the rural peasantry, preventing, limiting and eventually severing the relations established by them with bad elements in state economic organizations for the purpose of siphoning off merchandise; it is also aimed at maintaining and developing the plentiful special products of each locality.

In this manner, understanding has been improved during the creative application and implementation process. To date, every locality has come to the conclusion that business cooperation between the state and large and medium private commercial households in a transitional economic form in the initial stage of transition to socialism in our country. The organization of this type of shop aims at providing guidance and creating conditions for private citizens engaged in commercial activities and in the restaurant, beverage and service sectors to take the socialist business road to satisfactorily serve production and the people's daily needs. As a unit in the socialist commercial network, this type of shop is set up by state trade organizations and professional private traders; both sides share profit and loss. The shop operates according to the economic accounting principle, is directly subordinate to the state commercial corporation dealing in specific categories of goods, and is placed under state guidance and management.

Combination of Transformation with Organization and Management

The result of many business cooperation shops' activities has demonstrated that this form has permitted the combination of transformation with organization and

management. In this respect, instead of limiting itself to establishing new production relationships, transformation constantly affects management and distribution relationships, thereby exercising a gradual effect on ownership relationships. Many localities have applied this transitional economic form according to characteristics of each merchandise sector and each region and to the correlation of force between social trade and private commerce. For example, many southern provinces have widened the business cooperation scope to the restaurant and beverage sector. Local leaders there believe that plenty of agricultural and food products to be processed and served by this sector are still moving uncontrolled in the southern market. Successfully organizing business cooperation between the state and private citizens will create conditions for the state gradually and directly to manage this floating source of commodities. On the contrary, this floating source of commodities is not abundant in the northern provinces where the socialist trade network has expanded almost everywhere so that the restaurant and beverage sector there has been able to employ the technical labor of private citizens as in Hanoi where this method has been applied with the Tu Lun beef noodle soup shop at 23 Ngo Quyen St, with the vermicelli soup shop of Mrs Am at 73 Thuoc Bac St, and with the Thuan Binh restaurant which sells rice and pork pate in Tran Quang Khai St.

The managerial and operational mechanism of each business cooperation shop is composed of a shop director, one or two deputy shop directors and a chief accountant. These persons are appointed following a proposal by the sectorial corporation in charge of directly managing the shop and after consultation with shareholders. The daily purchase and sale effected by the shop are recorded in the chief accountant's book. The income of each private household depends on the result of the shop business activities. After deducting business expenses and paying tax to the state, many shops fix different percentages of the net profit for appropriations; however, all shops make "four appropriations" to raise three funds to develop business activities, to grant rewards, to promote collective welfare and to pay administrative and managerial fees to the responsible corporation. Only then will the remaining net profit be divided among the mobile capital shares. Many localities have reported that few business cooperation shops have sustained losses and that almost all of them have made an increasing profit every month. This has induced many private households to bring their commercial experiences into play and to contribute more capital to these shops to expand their business activities. Following are some examples:

Cau Moi is a wholesale market capable of controlling business activities not only in the First Precinct but also throughout Ho Chi Minh City and some surrounding provinces. Every day, from 15 to 20 tons of vegetables and fruit coming from Da Lat arrive in this market and are controlled and distributed by 41 wholesale households including 21 of Category A. After establishing business cooperation with these households and placing them under the management of the sectorial corporation and the direct management of the shop management board, the state has taken hold of 90 percent of the volume of vegetables and fruit coming from Da Lat to Cau Moi Market and has controlled a fairly large amount of cash every day. Another example is the Dong Xuan Market (Hanoi): After gathering 92 households dealing in fabric and readymade clothes into business cooperation shops, there no longer are in this market private traders who openly make hand-to-hand dealings in this merchandise; at present, he who wants

to buy or sell it has only to go directly to the shops managed by three trading organizations in the market: the state commercial agency, the marketing cooperative and the business cooperation office. The amount of fabrics bought and sold daily by these business cooperation shops is nearly equal to that handled by the textile corporation with its 800 employees. Better order has been clearly established in the market.

It can be said that through the business cooperation system, transformation is basically carried out under the form of organization and management and begins with the management process. The result obtained by hundreds of business cooperation shops from their activities over the past months has shown that the state has registered five achievements versus three made on the part of private citizens. The five achievements of the state are initial subjection of private traders to state control, regulation of part of their income, partial control over selling prices, contribution to expanding socialist trade and to gradually narrowing the free market, and creation of conditions for the state to take hold of merchandise and currency and to manage the social market.

The three achievements scored by private citizens are peace of mind in doing business under state guidance and sponsorship, membership in the socialist commercial network, and opportunity to use their skills, experiences and capital to expand the shops' activities, thus joining the entire people in building socialism for the benefit of the people, themselves and their families.

To help business cooperation shops carry out activities ever more properly and effectively, many localities have ceaselessly and broadly applied other transformative forms toward small traders, such as employing their technical labor and reorganizing them into teams to deal in specific categories of goods. Most worth mentioning is the attention paid by every locality to the need to strengthen socialist, especially state-operated, trade, to create sources of goods, to widen the retail network, to improve servicing methods, to build more material and technical facilities and to improve the qualifications of merchandise-buying and -selling cadres and employees in order to make socialist trade strong enough to play the leading role, to control the social market as a whole, to gain a strong position to transform private trade and to induce private households to accept transformation with peace of mind and without hesitation.

Some Problems Requiring Quick Solution

According to public opinion, today there is scarcely anyone who contends that the organization of business cooperation shops between the state and large and medium commercial households is an indication of a "rightist" attitude toward the bourgeoisie or that these shops are merely commercial collectives belonging to large and small private trading households.

The result of activities of hundreds of business cooperation shops in the past months have demonstrated that the emergence of this new organizational form is a creative measure taken by localities to implement the policy of transforming private industry and trade and that it is consistent with the real situation and the basically correct trend. Business installations are hoping that a

uniform overall statute and regulations will soon be promulgated to guide the activities of this transitional form. Such a statute and regulations must help meet principle-related requirements, such as maximum exploitation of the private traders' capital through fixing appropriate share rates (under monetary or merchandise form), most effective use of mobilized capital, better control and exploitation of merchandise sources, effective use of private traders' commercial skills and experiences and transforming them into common skills and experiences of business cooperation shops, arousal of private traders' self-enlightenment spirit, selection and use of their commercial methods which still suit the present situation and immediate elimination of those which are no longer compatible with the socialist commercial conditions.

Due to the delayed promulgation of a uniform statute and guiding regulations, many business cooperation shops have awkwardly carried out activities because some localities have been too strict in determining the target of business cooperation while others have shown excessive laxity in this matter. At present, the purchase and sale of goods by many business cooperation shops are entrusted to shareholders who apply the directed-price list issued by the corporation responsible for specific categories of goods. In practice, this method has led to various phenomena: When purchasing goods, shareholders usually report purchase prices equivalent to the highest ones indicated in the guiding list; when selling them, they report selling prices near the lowest ones indicated in the list; however, they actually buy goods at prices close to the highest rate indicated in this list. We have not yet spoken of the bribing of and collusion with some cadres assigned to business cooperation shops in order to commit illegal acts. In other localities, a uniform overall profit rate, say 10 percent, has been fixed for all categories of goods, thus unwittingly raising their market prices and turning some business cooperation shops into merchandise consumption places for unregistered traders or speculators and smugglers. Therefore, it is necessary to fix a profit rate for each specific category of goods for each period of time and according to their consumption norm; sometimes, it is also necessary to use the profit derived from one category of goods to make up for the loss incurred by another in order to have rapid capital turnover and to struggle for market-price stabilization. The problem of fixing a profit rate for private traders having joined business cooperation shops must also be examined and solved in conformity with the social situation in our country and requires that attention be paid to social justice between the production and distribution-circulation sector.

Another matter of concern for many people is whether the budget income will increase or decrease compared with the time when private households did not yet join business cooperation shops. Compared to the precooperation period, almost all these shops have increased--doubled or tripled--the real profit made and the amount of tax paid each month, but what must be considered is the ratio by which this income is distributed to the central and local levels. The revenue to be paid to the central budget depends mainly on taxes, but the tax rate has been reduced substantially in comparison with the time when these private commercial households had not yet joined business cooperation shops (this tax reduction is necessary because these households are no longer completely private traders as previously). However, the (income) tax rate has been fixed too low in certain localities so that the central budget revenue

has decreased in comparison with the past. Taking advantage of this shortcoming, some subwards have on their own set up business cooperation shops with the participation of private traders in order to share in the profit and to raise their own budgets.

An early solution to the above-mentioned problems will create conditions during the current year to basically complete the transformation of private trade--one of the central tasks on the distribution and circulation front as set forth in several party resolutions.

9332

CSO: 4209/572

ECONOMIC PLANNING, TRADE AND FINANCE

SUBSIDIZING OF COAL PRICE CRITICIZED

Hanoi NHAN DAN in Vietnamese 8 Jul 85 p 3

[Article by Pham Thanh and Tran Khan: "The Price of Coal"]

[Text] Coal is a precious natural resource of our nation, a fuel, and a basic raw material for the development of many different production sectors. The more deeply coal is mined the more difficult and costly it is. The grading of a ton of coal so that it is of uniform size and meets the quality requirements of the consuming units requires the coal to pass through an industrial production line with many complicated technical phases. Everyone values coal, so much so that it is called "black gold," but it is sold at the lowest price --a subsidized price. The main reason for the situation of many difficulties being encountered in coal production is that the price of coal was set too low, far below its value. If the price of coal is too low coal will be lost during transportation, and much of it will be wasted by the consumers. At least 600,000 tons of coal are used every year in the cooperative and private brick kilns, but the state doesn't recover a single brick. For many years the state has regarded the coal sector as a key economic sector and has made many all-out efforts to invest in creating new coal mines and purchase additional mining equipment, vehicles, and machinery. A considerable number of policies and regulations have been promulgated to overcome some of the difficulties in coal production and manifest concern for the living conditions of the coal miners. The coal sector has also sought ways to make progress and deal with the situation. Many mines have clearly manifested dynamism in organizing production and living conditions. If we continue to make calculations according to the bureaucratic-subsidizing mechanism and try to maintain stable prices in order to avoid upsetting prices in general, the coal sector will become a burden for national finance and for the localities in which large numbers of coal workers are concentrated, with regard to the payment of monetary and in-kind salaries.

Under the light of the resolution of the Eighth Plenum of the Party Central Committee (fifth term) regarding prices, salaries, and money, the coal sector has truly entered into socialist economic-commercial accounting so that it can be known whether the sector as a whole, and each installation, operates at a profit or a loss. Not only the coal sector, but also the other economic sectors, realize that it is necessary to improve coal prices, for the current prices are extremely and backward in comparison to the domestic and

international markets. In the production cost structure, a ton of coal is worth about 85 percent of the import value of coal sold to consumers. Lump coal No 6 (which can be exported) is used as fuel for baking lime, bricks and tiles. Its price in Hanoi is less than that of a pair of women's sandals.

With the old coal pricing mechanism, it was of course necessary to make up for the coal sector's losses. But that was an artificial loss. At a time when the central state and the coal sector must incur large deficits and losses, many places sell coal at near-market prices and earn a lot of money. Many installations which use coal earn good profits because coal accounts for only a very small part of the product's production cost. Many brick and tile kilns and many private restaurants which buy coal cheaply earn big profits. Thus the price of coal is controlled and reflects the disparity in values, but the prices of other goods related to coal continue to increase.

The price of coal was set with the following reasoning: coal is used in producing energy so it must suffer a loss so that the other sectors can earn a profit. The average income of a miner is one-half or one-third that of a light industry worker or of a sales clerk.

In order to rapidly increase coal output, in addition to reorganizing production and expand the right of the basic echelon to take the initiative, especially to have autonomy with regard to finance and foreign exchange, it is necessary to rapidly and resolutely eliminate the centralized bureaucratic-subsidy system in the coal sector and change over entirely to accounting and socialist commerce. Prices must correspond to value and all actual expenses must be included in the production cost of a ton of coal, with consideration for the mining conditions and thus also include raw materials taxes in production costs. Attention must be paid to including the cost of imported materials in the cost of each ton of coal consumed. We recommend that deficit subsidies for the production sector be eliminated. If a production base operates inefficiently and at a loss the specific conditions should be reviewed to determine whether or not it should continue production or business, or should cease operations. If a base works in the spirit of the resolution of the Eighth Plenum and earns a profit, that base and its workers have the right to be distributed a suitable part of the profits, and not be distributed profits in the "patronizing" or "bestowing a favor" manner of the past.

The major, all-round readjustment of prices, salaries, and money in accordance with the resolution of the Eighth Plenum of the Party Central Committee will create a seething labor emulation movement to promote coal production and enable the coal sector to advance with a new status, with the goals of high productivity, quality, and effectiveness.

5616

CSO: 4209/574

ECONOMIC PLANNING, TRADE AND FINANCE

BRIEFS

HAI PHONG BEGINS PAY SUPPLEMENTS--Yesterday, 1 July, was the first day Hai Hai Phong implemented pay supplements in the spirit of the resolution of the Eighth Plenum of the Party Central Committee (fifth term). In general, the situation in the municipality is stable. The units and enterprises have received salaries at the beginning of the month on time and in full amounts. The municipal market management committee sent 10 cadre groups to inspect the buying-selling and price situation in five markets and three precincts and districts, and to inspect the selling of 54 products at prices set by the municipality. The marketing cooperatives have entered into joint operations with 27 small merchants and cloth merchants at the Sat market to sell goods at uniform municipal prices. In the course of an investigation the municipality, in addition to uncovering nearly 35,000 "ghost" state employees also uncovered 66,000 "ghost" dependents. Every year the municipality must spend 816 million dong on those "ghosts." On the night on 30 June comrade Doan Duy Thanh, a member of the Party Central Committee, participated in a meeting to "eliminate the bureaucratic-subsidy" system in the municipal commercial sector and eliminate ration stamps when the pay supplements began. That signified the municipality's advance to the threshold of a new era and the implementation of a new mechanism with socialist economic-commercial accounting. [Text] [Hanoi NHAN DAN in Vietnamese 2 Jul 85 pp 1, 4] 5616

ILLEGAL PRICE HIKES--Over the past few days some negative phenomena have been noted in Ho Chi Minh City's markets. Taking advantage of the city's application of the system of paying wages in cash instead of in kind, and of the delays in payments for cadres, workers, and civil servants, illicit dealers have spread false news, stocked commodities from state-run stores, and caused commodity prices to rise 10-20 percent on the market. Meanwhile, trade agencies, especially in the precincts and districts and at trading cooperative stores, realizing the market situation, have raised prices at will or held back commodities, reducing sales to a trickle. The city people's committee recently held an emergency meeting with representatives from committees, sectors, precincts, and districts to provide guidance and take measures to halt the negative phenomena, and decided to launch a citywide movement for market and commodity price management. Along with solving problems in a timely manner so that cadres, workers, and civil servants will be paid on schedule, the city has mobilized forces from the responsible sectors to launch a month-long inspection drive on measurements, implementation of regulations on prices, and so forth, at all trade agencies and markets. [Text] [Hanoi Domestic Service in Vietnamese 1100 GMT 16 Aug 85 OW]

AGRICULTURE

EXPANSION OF AGRICULTURAL TRADES URGED

Hanoi NHAN DAN in Vietnamese 8 Jul 85 pp 1, 4

[Editorial: "Expand Sectors and Trades in Agricultural Production Cooperatives and Collectives"]

[Text] Increasing the income of the collective sector and ensuring a harmonious balance among the three interests (those of the state, the collective, and the individual worker), which causes cooperative and collective members to become bound to the collective economy, are important contents in consolidating and perfecting the new production relations in rural areas. If that is to be accomplished, the production cooperatives and collectives must rationally use the existing labor, land, and material-technical bases, promote the all-round development of agricultural production, and carry out specialized cultivation combined with all-round commerce to form an agricultural-industrial structure at the basic level.

Our country's land, rivers, streams, forests, and seas are spread out over a large area, so there are many different natural geographical and economic areas. Each area has a strength in order to develop its economy. Our country has plentiful agricultural labor. Many areas rely on the raw materials and skilled labor at hand to develop such famous traditional trades as mat weaving in Nga Son (Thanh Hoa), silk weaving at Ha Dong, earthenware at Bat Trang (Ha Noi), mulberry raising, sericulture, cloth weaving, and the production of woven rattan and bamboo products. A number of places have aluminum casting, bronze casting, carpentry, masonry, blacksmithing, lace making, agricultural implements production, consumer goods production, and other trades to serve the lives of the people.

Since the application of the output contracting mechanism in agriculture and the promulgation by the state of a number of new economic policies, many production cooperatives and collectives have positively practiced intensive cultivation, formed joint operations and alliances, begun many additional handicraft and small industry trades, made better use of labor and land, and produced many products. In places which have practiced intensive cultivation and combined commerce, and have expanded sectors and trades, the collective economy has been strengthened, the living conditions of cooperative members have been improved, and the new production relations have been consolidated.

In addition to the cooperatives and collectives which have operated skilfully, developed production comprehensively, and advanced rapidly and stably, a considerable number of them engage in rice monoculture, sectors and trades are poorly developed, forests are still being destroyed, ponds and lakes have been neglected, and production has come to a stand-still or even declined. Some of the cooperatives and collectives have not accumulated capital and have not ensured conditions for expanded reproduction. The income for a work day of cooperative and collective members in the collective economy has declined. Therefore, negative phenomena have arisen.

The small industry and handicraft sectors in the agricultural cooperatives and production collectives have declined in recent years for many reasons. The task of planning the development of handicraft trades in the sphere of the district has only just begun in a small number of districts and has not been completed. There is an arrogant attitude, arbitrary grading and pricing in the supplying of raw materials, fuel, and materials and in the marketing of products. The signing of contracts is lax and the state organs do not always strictly carry out contracts between production bases and a number of sectors, which has created difficulty for the development of handicraft trades in the rural areas. A number of policies, such as those regarding product purchase prices, the selling prices of materials, etc., are inappropriate and have created obstacles for the development of sectors and trades. At the same time, some places have not developed sectors and trades on the basis of locally available raw materials. A number of other places have tended to quickly separate the sectors and trades from the productive cooperatives and collectives and set up specialized small industry and handicraft production units, etc., which has made their development more difficult.

The direction of development of the small industry and handicraft sectors in the production cooperatives and collectives, at present and in the future, in order to meet the following requirements: combining agricultural production with industry at the basic level, carrying out a division of labor and rationally using labor in each collective production unit, increasing the value of agricultural products, and producing and repairing the implements necessary for production. Places in which conditions permit must promote the development of construction materials, and consolidate and expand the carpentry, masonry, blacksmithing, and other trades in order to rapidly increase the material-technical bases, meet the production requirements, etc. On the basis of those requirements, in the coming period, depending on the characteristics of each locality with regard to labor capabilities, sources of raw materials, and capabilities for marketing products, it is possible to promote handicraft trades appropriately and effectively.

Under the circumstances of small-scale production with essentially manual labor, the forms of production organization are very dynamic. Concentrated or dispersed organization must be organized, depending on the nature of the work of each sector and trade. Some sectors are managed by the production cooperatives and collectives, some are contracted out or assigned completely to cooperative member families, and in some cases there must be joint production in the form of alliances or joint operations by many economic components. There must be careful calculations and complete plans, and economic effectiveness must be the objective. The sectors and trades in the

production cooperatives and collectives must abolish the bureaucratic-subsidy system and shift over entirely to accounting and socialist commerce in the spirit of the resolution of the Eighth Plenum of the Party Central committee, so that all sectors can bring about high economic effectiveness.

With the efforts of all collective economic units, the sectors must help the basic level develop sectors and trade, to enable every cooperative and collective to be an agricultural-forestry-fishing-industrial, forestry-fishing-industrial, or fishing-agricultural-industrial economic unit, and the district as a whole to have an agricultural-industrial structure.

5616

CSO: 4209/574

AGRICULTURE

INCREASED EFFORTS TO FULFILL ANNUAL GRAIN PLAN URGED

Hanoi NHAN DAN in Vietnamese 15 Jul 85 pp 1, 4

[Editorial: Endeavor To Fulfill Victoriously Annual Grain Production Plan"]

[Text] The entire nation has just completed harvesting the winter-spring crops, especially rice. The localities are strongly attacking the 10th month crop and endeavoring to fulfill the 1985 agricultural production plan and conclude the 1981-1985 five-year plan.

The 10th month crop accounts for half the annual area and nearly half the annual output. In the Central Highlands, eastern Nam Bo, and the northern mountain region, the 10th month crop has a more important position and accounts for 70 to 87 percent of the annual area and 60 to 81 percent of the annual area. Winning a victory in the 10th month season will have a decisive significance on fulfilling the annual rice output norm. Furthermore, the 10th month season has an important position in the three-season crop rotation system in the northern lowland and midlands regions. There the 10th month season is closely related to the winter season: in order to expand the winter season area it is necessary to expand the early 10th month crop so that the land can be quickly freed.

Since it takes place during the rain, storm, and flood season, the area and yield are often adversely affected. The 10th month season is also a season in which production takes place under hot, humid conditions, so insects and diseases easily arise and cause damage over a large areas.

With regard to the northern provinces, the most direct problem of this year's 10th month season is soil preparation. Due to the influence of the longest cold period ever, the fifth month-spring rice and soil preparation for the 10th month rice crop will be very short. In order to harvest the fifth month-spring rice, dry the rice and straw, deliver grain produce 10th month rice seedlings, and prepare the soil for transplanting 10th month rice in a short period of time, it is necessary to use the combined strength of the sectors to promptly support agriculture.

There must be positive, active measures to bring into play the dynamism of all workers, production bases, and guidance echelons in order to overcome difficulties and, above all, take the initiative with regard to the seasonal

schedule. The seasonal schedule has the effect of a material factor and contributes to determining yields and output on the basis of ensuring that rice grows in the time framework with the most favorable conditions with regard to weather, while at the same time avoiding the periods most harmful with regard to natural disasters (waterlogging, drought, storms, and floods), insects, and diseases. To take the initiative with regard to the seasonal schedule of this year's 10th month season is not to allow the late fifth month-spring crop harvest delay the 10th month rice crop, in order to promptly free the winter crop land after the early 10th month rice is harvested; not to allow the middle and late plantings to head after the first 10 days of October), during which time it may encounter cold which time it may encounter cold weather during the first part of the 10th month season which lowers yields; and to ensure that the 10th month rice transplanted on low-lying fields has time to grow tall before heavy rain begins to fall and the water becomes deep.

Therefore, it is necessary to closely guide soil preparation. The fifth month-spring rice must be harvested rapidly and efficiently, and soil preparation must begin as soon as the crop is harvested. All forces must be mobilized to prepare the soil rapidly and carefully. It is necessary to pay attention to rice seeds and seedlings from the beginning of the season. If there is a shortage of stubble fields for sowing 10th month seedlings it is necessary to use spring-summer vegetable and subsidiary food crop land and to sow seedlings thickly on hard ground, and to grow seedlings on embankments and in gardens in order to remain on schedule. We must not allow seedlings to await fields and must resolutely refrain from transplanting overmature seedlings. All localities and bases must have sufficient seedstocks to guard against natural disasters and sow reserve seedlings for each rice planting, while at the same time sowing reserve seedlings for each rice planting and stockpiling additional seeds for the sowing of supplemental seedlings for the planting late 10th rice and for replanting 10th month rice when natural disasters occur. Concentrated rice seedling areas must be zoned in order to intensively cultivate seedlings and create conditions favorable for fighting drought, fighting waterlogging, and guarding against and eliminating insects and diseases simultaneously and effectively.

Water conservancy plans to serve the 10th month crop must be drafted early and cover two contingencies: production under normal conditions and production under conditions of natural disasters (droughts, waterlogging, floods, and storms). It is necessary to reserve adequate amounts of electricity and oil to operate electric-powered pumps and oil-powered pumps in order to effectively fight drought and waterlogging. The agricultural, water conservancy, and electric power sectors must be closely guided from the central level down to the provincial and district levels in order to manage water flexibly and tie in the situation of seedling and rice growth with weather and hydrological forecasts. We must inspect and prepare manual facilities for irrigation and bailing to promptly fight drought and waterlogging, without being dependent on electric-powered and out-powered pumps.

While preparing insecticides, it is necessary to bring into play experience in preventing and eliminating insects by manual means in order to completely

eliminate them on the 10th month rice seedlings, especially the early 10th month rice seedlings. In practicing intensive cultivation it is necessary to apply all measures, such as fertilizer, the planting densities, weeding, and tending. Those tasks must be carried out in accordance with a specific program for each type of field, variety, and rice planting. The spreading of nitrogenous fertilizer must be closely guided in order to avoid damage caused by fertilizing at the wrong time or in the wrong amounts, thus reducing yields and even causing crop losses and creating conditions for insects and diseases to seriously damage the rice.

We have made much progress and achieved many accomplishments on the grain production front. But the problem of providing grain for society has not been solidly resolved. That is always a difficult, arduous front which demands that our entire party and population make outstanding efforts. With a spirit of collective mastership on the part of the working people and the combined strength of the sectors serving agriculture, it is certain that we are fully capable of overcoming the difficulties in order to achieve an all-round victory in the 10th month season and fulfill the plans for 1985 and the 1981-1985 five-year period.

5616

CSO: 4209/575

AGRICULTURE

5TH-MONTH SPRING RICE SEASON ENDS 'SUCCESSFULLY'

BK191001 Hanoi Domestic Service in Vietnamese 2300 GMT 13 Aug 85

[Text] The 1984-85 5th-month spring production season has successfully concluded with the rice yields achieved by many northern provinces exceeding those obtained in the previous years. Specifically, Vinh Phu Province brought in 28 quintals per hectare while Ha Nam Ninh recorded an average yield of 36.45 quintals per hectares despite the loss of 4,500 hectares to harmful insects and diseases in Y Yen, Yen Son, Hoa Lu, and Thanh Lien districts. In the same province, several districts achieved a yield of more than 50 quintals per hectare.

Buoyed up by the bumper harvest, peasants in various provinces have actively and expeditiously paid their agricultural tax. As of 31 July, seven provinces--Lai Chan, Haiphong, Ha Son Binh, Thai Binh, Ha Bac, Vinh Phu, and Ha Nam Ninh--had overfulfilled both the agricultural tax norm and the grain procurement norm, with Lai Chau setting the pace for the other provinces. Five provinces that have fulfilled or overfulfilled the grain procurement norm are Thanh Hoa, by 116.3 percent; Hanoi, by 112.7 percent; and Hai Hung, Nghe Tinh, and Quang Ninh. Na Son Binh Province did fairly well in paying its agricultural tax, with 16 of its 18 districts and 328 of its 358 mil-lages overfulfilling their plan norms.

CSO: 4209/584

AGRICULTURE

HCM CITY OUTSKIRTS ESSENTIALLY COMPLETE COOPERATIVIZATION

Hanoi NHAN DAN in Vietnamese 19 Jun 85 pp 2, 4

[Article by Tran Quoc Khai: "Outskirts of Ho Chi Minh City Essentially Complete Agricultural Cooperativization"]

[Text] The rural areas outside Ho Chi Minh City include six districts and four suburban precincts with agriculture. They have a natural land area of 188,950 hectares (93.5 percent) and a population of 965,861 (29.9 percent of the city's population).

During the 10 years since the revolution the peasants in the outskirts of the city have made outstanding efforts and have transformed an area that was devastated in the war into a belt growing food crops, industrial crops, and grain, in which vegetable production has increased nine times, livestock have increased 2.5 times, and grain output has increased 2.7 times in comparison to the past. The agricultural cooperativization movement has brought 83.6 percent of peasant households and 83.5 percent of the cultivated area into collective production. The outskirts of Ho Chi Minh City have essentially completed agricultural cooperativization.

Adjusting Land and Eliminating Exploitation in Rural Areas

Prior to the revolution the landlord class, the officials, and the colonialists owned much of the land, especially a number of big landlords in Cu Chi and Binh Chanh. They exploited in the feudal mode, leasing land and collecting taxes. Some of the big bourgeoisie set up plantations to exploit in the capitalist way. After the liberation nearly all of them fled abroad. The revolutionary administration confiscated their land in order to set up state farms or to distribute to the peasants. Even so, there was still a rather great disparity in land ownership in areas outside the city. Poor peasants with little or no land accounted for a rather high proportion. According to a survey in a number of places in June 1979, 10,994 of the 35,020 agricultural households in Cu Chi were poor peasants with little or no land. They accounted for 31.2 percent of the rural households but had an average of only 330 square meters of cultivated land per person. After the municipality was liberated about one third of the peasant households were poor peasants with little or no cultivated land. They had to work as hired hands and were heavily exploited. Furthermore, 40 percent of the households in the

middle peasant stratum were exploited and were dependent on others with regard to agricultural products processing machinery and circulation-distribution. The rich peasants and bourgeoisie owned an average of 6,100 square meters of land per person, nearly 20 times the average of poor peasants. They allied with the urban bourgeoisie, controlled production, and monopolized the rural market. Some of them distorted and opposed the agricultural cooperativization movement.

The adjustment of land and the elimination of exploitation in rural areas outside the city were carried out simultaneously with the transformation of privately operated capitalist industry and commerce in the city. That was a very difficult and complicated campaign. Many factors of economic-social life in the city controlled and greatly affected the rural areas outside the city. Therefore it was impossible to separate the agricultural cooperativization movement in the outskirts of the city from the campaign to transform privately owned industry and commerce. After nearly 7 years of endeavor, by 1983 the city had essentially completed the adjustment of land and had eliminated many vestiges of exploitation in the rural areas; nationalized 30,000 hectares of land which belonged to the colonialists, landlords, and reactionaries; set up 9 state farms and 16 agricultural stations, resolved 84 cases of land ownership by landlords, rich peasants, and rural bourgeoisie and recovered 3,377 hectares which were distributed to 6,000 poor peasant households; persuaded the peasants to adjust 3,000 hectares of land and distribute them to households with little or no land; resolved hundreds of land disputes among the peasants; and strengthened solidarity among the working peasants. After receiving land practically all of the peasants entered solidarity teams, production collectives, and agricultural cooperatives. The municipality set up 9 enterprises to process animal feed and 7 enterprises to produce fertilizer and insecticides, and set up 244 small industry and handicraft teams and 20 transportation cooperatives. Corporations, stores, marketing cooperatives, and credit cooperatives were set up in subprecincts and villages, 77 rural markets were managed, etc. Those all-out efforts contributed positively to eliminating exploitation, developing production, and improving living conditions, and positively supported the agricultural cooperativization movement.

Renovating the Management Mechanism in Agriculture

The process of carrying out agricultural cooperativization in Ho Chi Minh City has not been entirely favorable. In 1978 the city set up 871 production collectives and brought 41 percent of the cultivated area and 54 percent of the peasant households into collective production. But less than a year later more than half of the collectives had broken up and the rest had to be consolidated. Production had not developed and many difficulties were still being encountered in the lives of collective members. Among the many reasons for that situation, such as hastiness, coercion, chasing after numbers, natural disasters, etc., an important factor is that the collective production units applied the old management mechanism, which was not appropriate to the actual situation and the requirements of production. Thanks to the implementation of Directive No 100 of the Secretariat of the Party Central Committee, the contracting of output to groups and individual workers in agriculture truly stimulated collective production and created a

strong motive force which furthered the development of the agricultural cooperativization movement. Since the implementation of the new contracting mechanism 9 of the 10 cooperatives and 330 of the 434 production collectives in the areas around the city have implemented output contracting, combined with the other management measures, and stopped the breaking up of many production collectives, while at the same time bringing about new development. After the implementation of output contracting the peasants enthusiastically participated in collective production, labor productivity steadily increased, a large amount of materiel and capital were mobilized for intensive cultivation, and the dissemination and application of technical advances to production was expanded and attained high effectiveness. The vegetable production collectives practiced intensive cultivation and increased yields. The value of a work day increased from 5 dong to 50 dong, and in some collectives it increased to 100 dong. Within only a little more than a year after the implementation of the new management mechanism many collectives repaid their debts to the state, bought additional water buffaloes, oxen, and machinery, and built many additional material-technical bases for the collectives and other welfare installations. In the production collectives, the rice yield surpassed the contracted norm by from 3 to 14 quintals per hectare. The collectives specializing in growing rush applied contracting and increased rush yields from 5 tons to between 12 and 14 tons per hectare per year and the value of a work day increased from 4 dong to 50 dong a year. After more than a year of carrying out product contracting, along with all of the intensive cultivation measures, the area, productivity, and output of vegetables, rice, and industrial crops increased. In 1983 the rice output increased by 10,000 tons over 1982 and vegetable output amounted to 233,000 tons, sufficient to meet 60 percent of the city's vegetable needs. production has developed and the agricultural cooperativization movement has been consolidated and has advanced stably, from 400 production collectives in 1981 to the present totals of 768 collectives and 114 cooperatives.

Expanding the Joint Operation-Alliance Forms and Building Marketing and Credit Cooperative Networks

Because of its economic-social characteristics and experience in market management, transforming private capitalist industry and commerce, and eliminating the various forms of exploitation in many spheres and areas, the city has at the same time paid attention to building and consolidating the socialist commercial and credit forms in the rural areas around the city in order to effectively support the agricultural cooperativization movement. To date 95 percent of the subprecincts and villages in the rural areas around the city have credit cooperatives, and in Cu Chi and Nha Be districts and Precinct 8 100 percent of the subprecincts and cooperatives have credit cooperatives. In 1984 the credit cooperatives lent the peasants 8.4 million dong to serve production and develop the family economy. The credit cooperatives have 23,000 members who hold 37,562 shares valued at 3.7 million dong. In order to control the sources of agricultural products and take merchandise directly to the producers and consumers, in addition to the state commercial network, the marketing cooperatives in the subwards and villages have been expanded so that they can play the role of "housewives" at the basic level. Six districts have set up marketing cooperatives management committees and a joint cooperative commercial corporation with five stores, and there have been set

up 79 marketing cooperatives with 800 selling locations. With the effective support of the city's industry, the small industry and handicraft sectors in the city have been promoted, which has created jobs and increased the income and accumulation of the collective economy. To date there are 4,850 small industry and handicrafts installations in the precincts and districts around the city which employ 30,000 workers and have a total annual production value of 150 million dong. In order to increase the value of agricultural products the processing industry installations in the collectives and agricultural production cooperatives around the city, such as sugarcane processing, rice milling, rush processing, etc., have also received attention. The Quyet Thang 1 cooperative in Binh My Village, Cu Chi District, grows rice, grows sugarcane, and processes sugar. During the first 6 months of 1984 it earned a profit of more than 1 million dong from sugar processing alone. Collective 1 in Subprecinct 9, Precinct 8, which grows and processes rush and weaves rush mats and rugs for export, increased the value of a work day to 60 dong, double the amount when it only specialized in producing rush raw materials.

An outstanding feature in the cooperativization movement and the construction of a new countryside in Ho Chi Minh City has been the expansion of economic alliances and joint operations between the precincts and districts around the city and those in the city proper. Cu Chi District, which has formed an alliance with Precinct 1, takes vegetables, beans, and meat to sell at the Ben Thanh and Tan Dinh. Precinct 1, in turn, has sent to Cu Chi 3 million dong worth of manufactured goods, including cloth, animal feed, and fertilizer. The collective agricultural production units outside the city, after fulfilling obligations toward the state, have taken the initiative by setting aside some of the remaining products to exchange with the inner-city precincts and subprecincts, thus creating conditions for the development of production and contributing to improving the living conditions of the people in the city. Nha Be District has formed an alliance with Precinct 4, Thu Duc has formed an alliance with Precinct 5, Hoc Mon has formed an alliance with Precinct 10, Duyen Hai has formed an alliance with Precinct 5, etc.

The agricultural cooperativization movement in Ho Chi Minh City has made solid progress during the past 3 years. In 1985 the city will consolidate and improve the quality of the collective economic units, rapidly increase economic effectiveness of the agricultural production cooperatives, train and cultivate economic and technical cadres for the collective production units, expand the alliance and joint operation forms in order to rapidly form agricultural-industrial economic structures at the basic level and in the sphere of precincts and districts around the city, and create a completely new countryside of the city bearing the name of our beloved Uncle Ho.

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HEALTH, EDUCATION AND WELFARE

READER COMPLAINS ABOUT PLANNED PARENTHOOD METHODS

Hanoi TIEN PHONG in Vietnamese 2-8 Jul 85 p 3

[Youths' Opinions column]

[Text] I must enquire about something that has made me uneasy.

Recently, in the planned parenthood movement my school has encouraged all youth union members to have only one or two children, spaced at least 5 years apart. We agree completely. But when implementing the measure of installing IUD's the school one day called us together and then took us to Military Hospital 105. Therefore, many of the women felt uncomfortable. Anyone who, for one reason or another, refused to have an IUD installed had her name announced over the loudspeaker and was not eligible for the "13th month salary" bonus. I think that planned parenthood is necessary and must be compulsory. As for the method, it should depend on each person and everyone should not be required to install an IUD. Have not newspapers and magazines recently introduced many methods? Everyone should participate voluntarily, and hereafter if someone does not participate there are many steps that can be taken other than immediately cutting salaries! There are still many very irrational things in my school. For example, there was a person who had her second child 6 years after the first, but when she enquired about a bonus for giving birth in accordance with the plan, they said they didn't know. Even so, after giving birth to her second child she refused to install an IUD (she used another method) and lost her "13th month" salary.

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BIOGRAPHIC

INFORMATION ON VIETNAMESE PERSONALITIES

[The following information on Vietnamese personalities has been extracted from Vietnamese-language sources published in Hanoi, unless otherwise indicated. Asterisked job title indicates that this is the first known press reference to this individual functioning in this capacity.]

Hà Công An [HAF COONG AN], Lieutenant Colonel [Navy]

Commander of the 2d Navy Group; he was mentioned in an article about his unit. (Haiphong HAIPHONG 17 May 85 p 2)

Nguyễn Thị Bình [NGUYEENX THIJ BINHF]

Member of the CPV Central Committee; minister of education; on 23 June 1985 she attended an assembly of youthful combatants. (QUAN DOI NHAN DAN 25 Jun 85 p 1)

Nguyễn Chi Dũng [NGUYEENX CHI ZUNGX]

Vice minister of light industry; vice president of the Vietnam-Mongolia Friendship Association; on 1 July 1985 he attended ceremonies marking Mongolia's National Day. (QUAN DOI NHAN DAN 3 Jul 85 p 4)

Lê Thanh Đạo [LEE THANH DAOJ]

2d secretary of the Ho Chi Minh Communist Youth Union; chairman of the Central Assault Youth Council; on 23 June 1985 he attended an assembly of youthful combatants. (QUAN DOI NHAN DAN 24 Jun 85 p 1)

Phạm Ngọc Đấp [PHAMJ NGOCJ DAPS]

*Vice chairman of the People's Committee, Thai Binh Province; on 22 June 1985 he attended a sports competition in his province. (QUAN DOI NHAN DAN 23 Jun 85 p 4)

Nguyễn Anh Đức [NGUYEENX ANH DEEF]

*Director of the Housing and Urban Projects Service, Haiphong; his article on construction of key urban projects appeared in the cited source. (Haiphong HAIPHONG 30 May 85 p 3)

Nguyễn Thị Định [NGUYEENX THIJ DINHJ]

Member of the CPV Central Committee; president of the Vietnam Women's Union; on 28 June 1985 she attended the opening of the Chuong Duong Bridge. (QUAN DOI NHAN DAN 30 Jun 85 p 1)

Phạm Văn Đồng [PHAMJ VAWN DOONGR]

Secretary of the CPV Committee, Thai Binh Province; on 22 June 1985 he attended a sports competition in his province. (QUAN DOI NHAN DAN 23 Jun 85 p 4)

[Nguyễn] Tiến Đức [NGUYEENX TIEENS DUWCS]

Standing member of the CPV Committee, Hanoi; vice chairman of the People's Committee, Hanoi; on 4-6 July 1985 he attended a conference of key cadre on the resolution of the Eighth Party Plenum. (QUAN DOI NHAN DAN 8 Jul 85 p 1)

Hồng Hà [HOONGF HAF]

Alternate member of the CPV Central Committee; vice president of the Vietnam Newspapermen's Association; on 20 June 1985 he attended a meeting marking Vietnam Press Day. (QUAN DOI NHAN DAN 21 Jun 85 p 1)

Phạm Hùng [PHAMJ HUNGF]

Member of the Political Bureau of the CPV; vice chairman of the Council of Ministers; on 28 June 1985 he attended the opening of the Chuong Duong Bridge. (QUAN DOI NHAN DAN 30 Jun 85 p 1)

Vũ Quốc Hùng [VUX QUOOC HUNGF]

Secretary of the Central Committee of the Ho Chi Minh Communist Youth Union; former secretary of the Vietnam Students Association; on 5 July 1985 he attended a conference of the Vietnam Students Association. (QUAN DOI NHAN DAN 7 Jul 85 p 1)

Phạm Hùng [PHAMJ HUWNG]

Alternate member of the CPV Central Committee; chief justice of the Supreme Court; on 1 July 1985 he held a press conference to commemorate the activities of the judicial sector. (QUAN DOI NHAN DAN 4 Jul 85 p 4)

Đặng Hữu [DAWNGJ HUWUX]

Alternate member of the CPV Central Committee; chairman of the State Science and Technology Commission; on 16 May 1985 he participated in ceremonies marking Czechoslovakia's National Day. (HAIPHONG 17 May 85 p 1)

Võ Hữu [VOX HUWUX], Lieutenant Colonel

*Deputy head of the School of Culture, 4th Military Region; his letter on maintaining military cemeteries appeared in the cited source. (QUAN DOI NHAN DAN 2 Jul 85 p 2)

Phan Khắc Hy [PHAN KHAWCS HY], Major General

Deputy chief, Rear Services General Department; recently he accompanied Senior General Van Tien Dung on a visit to a logistical installation. (QUAN DOI NHAN DAN 9 Jul 85 p 1)

Trần Đăng Khoa [TRAANF DAWNG KHOA]

Deputy Secretary General of the Vietnam Democratic Party; on 30 June 1985 he attended ceremonies marking the anniversary of the Vietnam Democratic Party. (QUAN DOI NHAN DAN 2 Jul 85 p 1)

Nguyễn Văn Lân [NGUYEENX VAWN LAAN], *Major General

His article "The Glorious Tradition and Heavy Responsibility of the Army's Rear Services Sector" appeared in the cited source. (QUAN DOI NHAN DAN 11 Jul 85 p 2)

Trần Lê [TRAANF LEE]

Member of the CPV Central Committee; chief procurator of the Supreme People's Organ of Control; on 12 July 1985 he attended ceremonies marking the anniversary of the People's Court. (QUAN DOI NHAN DAN 13 Jul 85 p 1)

Bùi Tử Liêm [BUIF TUWR LIEEM]

Head of the Sports Activities Department, Physical Education and Sports General Department; on 26 June 1985 he attended a reception for the heads of sporting delegations from Laos and Cambodia. (QUAN DOI NHAN DAN 27 Jun 85 p 1)

Phạm Đăng Liêm [PHAMJ DAWNG LIEEM] aka Nguyễn Thanh Liêm [NGUYEENX THANH LIEEM], Colonel, deceased

Born in 1925 at Long Chau Village, Vinh Long City, Cuu Long Province; member of the CPV; former head of the CPV School, 9th Military Region; he died following an illness on 12 July 1985 at the 121st Military Hospital, 9th Military Region. (QUAN DOI NHAN DAN 16 Jul 85 p 4)

Hoàng Linh [HOANGF LINH]

*Vice president of the Vietnam-Korea Friendship Association; on 25 June 1985 he attended ceremonies marking the struggle of the Korean people against the United States. (QUAN DOI NHAN DAN 26 Jun 85 p 4)

Vũ Mão [VUX MAOX]

Member of the Central Committee of the CPV; first secretary of the Central Committee of the Ho Chi Minh Communist Youth Union; on 20 June 1985 he attended completion of a work phase on the Chuong Duong Bridge. (QUAN DOI NHAN DAN 22 Jun 85 p 1)

Nguyễn Văn My [NGUYEENX VAWN MY]

*Member of the CPV Committee, Ha Nam Ninh Province; *secretary of the Duy Tien District CPV Committee; his article on production of export goods in his district appeared in the cited source. (Nam Dinh HA NAM NINH 10 May 85 p 3)

Ninh Văn Mỹ [NINH VAWN MYX]

*Deputy secretary of the Ho Chi Minh Communist Youth Union; on 16 May 1985 he attended ceremonies marking Czechoslovakia's National Day. (HAIPHONG 17 May 85 p 1)

Đổng Sỹ Nguyễn [DOONGF SYX NGUYEENX]

Alternate member of the Political Bureau of the CPV; vice chairman of the Council of Ministers; minister of communications and transportation; on 20 June 1985 he attended completion of a work phase at the Chuong Duong Bridge. (QUAN DOI NHAN DAN 22 Jun 85 p 1)

Nguyễn Đình Nhiên [NGUYEENX DINHF NHIEEN]

*Standing member of the CPV Committee, Haiphong Municipality; *vice chairman of the People's Committee, Haiphong Municipality; on 14 May 1985 he met with a delegation from Kompong Som, Cambodia. (Haiphong HAIPHONG 15 May 85 p 4)

Bình Phưởng [BINHF PHUWOWNG]

Member of the CPV Central Committee; head of the Internal Affairs Department of the CPV Central Committee; on 12 July 1985 he attended activities marking the anniversary of the People's Court. (QUAN DOI NHAN DAN 13 Jul 85 p 1)

Lê Quý Quỳnh [LEE QUYS QUYNHF]

Deputy chief of Cabinet of the Council of Ministers; vice president of the Vietnam-Mongolia Friendship Association; on 1 July 1985 he attended ceremonies marking Mongolia's National Day. (QUAN DOI NHAN DAN 3 Jul 85 p 4)

Trần Quỳnh [TRAANF QUYNHF]

Member of the CPV Central Committee; vice minister of the Council of Ministers; permanent representative of the SRV to CEMA; on 22 June 1985 he arrived in Warsaw to attend the 40th session of CEMA. (QUAN DOI NHAN DAN 24 Jun 85 p 1)

Trần Sáng [TRAANF SANGS]

*Secretary of the Ho Chi Minh Communist Youth Union Group, Haiphong; recently he attended ceremonies marking the birthday of Ho Chi Minh. (Haiphong HAIPHONG 19 May 85 p 1)

Trần Trọng Số [TRAANF TRONG SOS]

*Director of the Agriculture Service, Haiphong Municipality; recently he attended a conference on the 10th month rice crop. (Haiphong HAIPHONG 23 May 85 p 1)

Hoàng Trúc Tấn [HOANGF TRUCS TAANS]

*Deputy standing representative of the SRV to CEMA; on 22 June 1985 he arrived in Warsaw to attend the 40th session of CEMA. (QUAN DOI NHAN DAN 24 Jun 85 p 1)

Hoàng Ngọc Thanh [HOANGF NGOCJ THANH]

*President of the Haiphong Municipal Collective Farmers Association; recently he attended ceremonies marking the birthday of Ho Chi Minh. (Haiphong HAIPHONG 19 May 85 p 1)

Nguyễn Hữu Thành [NGUYEENX HUWUX THANHF]

*Deputy secretary of the Trade Union Federation, Haiphong; recently he attended ceremonies marking the birthday of Ho Chi Minh. (Haiphong HAIPHONG 19 May 85 p 1)

Đặng Thí [DAWNGJ THIS]

Member of the Central Committee of the CPV; minister; recently he headed the Vietnamese delegation that participated in the 10th National Day celebration in Mozambique. (QUAN DOI NHAN DAN 23 Jun 85 p 1)

Đình Thiện [DINHJ THIEENJ], Major General

Deputy chief, Rear Service General Department; recently he accompanied Senior General Van Tien Dung to a logistical installation. (QUAN DOI NHAN DAN 9 Jul 85 p 1)

Lê Thị Thịnh [LEE THIJ THINHJ]

*Standing member of the CPV Committee, Haiphong; president of the Vietnam Women's Union, Haiphong; on 14 May 1985 she met with a delegation from Kompong Som, Cambodia. (Haiphong HAIPHONG 15 May 85 p 4)

Dương Khắc Thu [ZUWOWNG KHAWCS THUJ]

*Standing member of the CPV Committee, Haiphong; *director of the Public Security Service, Haiphong; recently he attended ceremonies marking the birthday of Ho Chi Minh. (Haiphong HAIPHONG 19 May 85 p 1)

Nguyễn Bình Thước [NGUYEENX BINHF THUWOWCJ]

*Director of the Post and Telecommunications Service, Ha Tuyen Province; recently he attended the dedication of a new communication line in his province. (QUAN DOI NHAN DAN 21 Jun 85 p 1)

Nguyễn Văn Tiến [NGUYEENX VAWN TIEENS]

Member of the Presidium and secretary general of the Central Committee of the Vietnam Fatherland Front; on 30 June 1985 he attended ceremonies marking the anniversary of the Vietnam Democratic Party. (QUAN DOI NHAN DAN 2 Jul 85 p 1)

Nguyễn Hải Trình [NGUYEENX HAIR TRINHF], Colonel, deceased

Born in 1929 at Nhan Chinh Village, Tu Liem District, Hanoi; a high ranking cadre of the Advance Military Academy; he died following an illness on 20 June 1985 at the 108th Military Hospital in Hanoi. (QUAN DOI NHAN DAN 21 Jun 85 p 4)

Đặng Trình [DAWNGJ TRINHJ]

Chairman of the People's Committee, Thai Binh Province; on 22 June 1985 he attended a sports competition in his province. (QUAN DOI NHAN DAN 23 Jun 85 p 4)

Nguyễn Văn Trọng [NGUYEENX VAWN TRONGJ]

Deputy head of the International Department of the CPV Central Committee; on 22 June 1985 he attended a reception for the Cuban ambassador. (QUAN DOI NHAN DAN 23 Jun 85 p 1)

Đoàn Trọng Truyền [DOANF TRONGJ TRUYEENS]

Minister and secretary general of the Council of Ministers; on 4 July 1985 he attended the return of the SRV delegation to the 40th CEMA session. (QUAN DOI NHAN DAN 5 Jul 85 p1)

Hoàng Xuân Tuỳ [HOANGF XUAAN TUYF]

Vice minister of higher and vocational education; on 5 July 1985 he attended a conference of the Vietnam Students Association. (QUAN DOI NHAN DAN 7 Jul 85 p 1)

Phùng Văn Tũu [PHUNGF VAWN TUWUR]

Vice minister of justice; on 1 July 1985 he attended a press conference to commemorate the activities of the judicial sector. (QUAN DOI NHAN DAN 4 Jul 85 p 4)

Nguyễn Kỳ Ưc [NGUYEENX KYS UCS]

Secretary of the CPV Committee, Cuu Long Province; recently he attended a conference for arts and letters cadres. (QUAN DOI NHAN DAN 5 Jul 85 p 1)

Cao Văn [CAO VAWN]

*Standing member of the CPV Committee, Haiphong; *acting chairman of the People's Committee, Haiphong; on 28 May 1985 he attended a meeting of the Haiphong People's Council. (Haiphong HAIPHONG 29 May 85 p 1)

Trần Vĩ [TRAANF VIX]

Member of the CPV Central Committee; chairman of the People's Committee, Hanoi; on 28 June 1985 he attended the opening of the Chuong Duong Bridge. (QUAN DOI NHAN DAN 30 Jun 85 p 1)

Phan Đình Vinh [PHAN DINHF VINH]

Deputy head of the International Department of the CPV Central Committee; on 21 June 1985 he attended the arrival of a delegation of the Communist Party of India. (QUAN DOI NHAN DAN 22 Jun 85 p 1)

Nguyễn Trọng Xuân [NGUYEENX TRUWOWNGF XUAAN], Colonel

*Standing member of the CPV Committee, Haiphong; commander of the Municipal Military Command, Haiphong; recently he attended ceremonies marking Ho Chi Minh's birthday. (Haiphong HAIPHONG 19 May 85 p 1)

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