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Southeast Asia Report

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17 May 1985

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AUSTRALIA

FORMER PRIME MINISTER WARNS OF USSR EXPANSION

BK290636 Melbourne Overseas Service in English 0430 GMT 29 Apr 85

[Text] The former Australian prime minister, Mr Malcolm Fraser, has warned of Soviet expansion in the Pacific and accused neighboring New Zealand of undermining regional security. Mr Fraser, in Paris for a meeting of former government leaders, said Moscow was trying to increase its presence in the Pacific and would have a military base in the region.

He said the Soviet Union was certain to get a base in the Pacific soon, probably in Kiribati. Mr Fraser predicted it would start as a fish processing facility but would be turned into a military base with the additional refueling facilities, repair facilities, and finally an airfield.

Kiribati--the former British colony of Gilbert and Ellice Islands, which gained independence in 1979--said last month it was close to reaching agreement on giving Moscow fishing rights in much of the south and central Pacific.

Mr Fraser said Western interests in the Pacific were [words indistinct] by the New Zealand prime minister, Mr Lange's, demand that U.S. ships declare whether they were carrying nuclear weapons before docking.

Mr Lange's Labor Government had banned port calls by nuclear-armed or nuclear-powered vessels. Mr Fraser said there was absolutely no logic to the policy.

CSO: 4200/890

AUSTRALIA

BRIEFS

HAYDEN TRIP--Australia's minister for foreign affairs, Mr Hayden, leaves next Monday on an 18-day visit to India, Pakistan, Nepal, and Sri Lanka. Mr Hayden said the trip reflected the importance of the region to Australia and would be consistent with the government's new outlook on Indian Ocean affairs. He said that he looked forward to meeting regional leaders, in particular the new Indian prime minister, Mr Gandhi, and also the recently elected government of Pakistan. In Colombo, he hoped to have talks with Sri Lankan leaders on communal violence which had caused deep concern among sections of the Australian public. [Text] [Melbourne Overseas Service in English 0830 GMT 3 May 85 BK]

MARITIME UNIONS BAN SHIPPING--Sydney, Australia, 6 May (AFP)--All Australian Ports except for Melbourne have been virtually paralysed since Friday afternoon by maritime union bans on foreign ships, the Australian Chamber of Shipping said today. The bans were holding up 85 vessels in ports around the country, the Chamber of Shipping said. The bans arose out of two separate disputes concerning rates of pay for tugboat crews and an incident involving the West German-owned Columbus line, which was accused of breaking harbour regulations at Port Botany 10 days ago. Lightening bans were invoked by waterside unions over the weekend against ships without Australian crew. The unions have had a long-standing dispute with the Columbus line over the manning of ships trading with Australia. [Text] [Hong Kong AFP in English 0631 GMT 6 May 85 HK]

REFUGEE AID INCREASES--Australia is to give more aid to refugees. This was announced in Canberra today by the foreign affairs minister, Mr Hayden. The minister said more than \$1 million [Australian dollars] would go to the UN High Commissioner for Refugees for programs in Papua New Guinea, Sudan, and Pakistan. Most of this was earmarked for people who had crossed the Irian Jaya border into Papua New Guinea and was to provide food, health, and sanitation services. Mr Hayden restated the government's view that the best long-term solution to problems of this kind was for the people to return home voluntarily in safety and dignity. [Text] [Melbourne Overseas Service in English 0830 GMT 22 Apr 85 BK]

ARMS SMUGGLING CHARGES DROPPED--Four men accused of conspiring to smuggle weapons and ammunition from Australia to the French Pacific territory of New Caledonia have been freed by a Brisbane court. The four, who had been in jail

for 7 weeks, were released after Queensland's director of public prosecutions withdrew the charges. In the Brisbane Magistrate Court, a lawyer for the four, Mr Robertson, accused the federal authorities of being slow in checking the charges against the men. Mr Robertson said that the charges against Alan Grelrier, Vu Viet Chaun, Jean Nicholas Bondaletoff, and Paul Vu Ngoc Ly were baseless. The four were charged after Queensland police seized large quantities of weapons and ammunition in a property near Brisbane. Three of the men had been charged with accumulating arms and ammunition to engage in a hostile act against the New Caledonian Government, and the fourth man was charged with supporting the action. An earlier hearing was told the men intended taking the arms to New Caledonia in drums attached to the underside of a yacht. [Text] [Melbourne Overseas Service in English 0830 GMT 18 Apr 85 BK]

FOREIGN INVESTMENT DROPS--There was a drop of more than 10 percent in foreign investment in Australian companies last year. Figures just released by the Bureau of Statistics showed that the amount of foreign investment dropped to about 47,700 million [Australian dollars] during 1984. The biggest drop was in investment from the U.S., which fell by half to just over \$1,000 million. Investment from members of the Association of Southeast Asian Nations, ASEAN, also dropped by about 14 percent to \$1,500 million. However, investment from the European Economic Community rose by 9 percent to almost \$2,300 million and Japanese investment rose by 23 percent to \$900 million. At the end of last year, the level of foreign investment in Australia exceeded \$46,000 million. [Text] [Melbourne Overseas Service in English 0430 GMT 18 Apr 85 BK]

EXPANDING FRIGATE FLEET--The Australian Navy is planning to double its number of new FFG frigates from 6 to 12 at a cost of more than \$2,500 million [Australian dollars]. Work will begin on the six new warships in 1988, and they are designed to serve the Australian Navy into the next century. Four FFG frigates are already in service, and two are being built at the Williamstown Naval Dockyard near Melbourne at an expected cost of \$880 million, including weapons systems. The frigates will replace the six aging "river" class destroyer escorts, which the navy plans to decommission towards the end of this decade. The FFG frigates are considered to be an all-round ship, having an antisurface and submarine capability. The last of the new warships is expected to be completed by the end of the century, by which time the first FFG frigates will be due for replacement. [Text] [Melbourne Overseas Service in English 0830 GMT 2 May 85 BK]

OIL EXPLORATION FIGURES--Statistics released by the Federal Government's Bureau of Mineral Resources show that the high level of oil exploration activity achieved in 1984 is continuing into 1985. In the 1st quarter of this year, 68 exploration wells were drilled. This compares with 41 wells drilled in the same period last year--a record year for exploration. The number of onshore wells--61--is up by over 70 percent compared with the activity in the 1st quarter last year and is the highest (?figure) for a March quarters. Offshore drilling is at a similar level to the 1st quarter last year. The Bureau of Mineral Resources says these results are particularly encouraging since, due to difficult weather conditions, the 1st quarter is traditionally a period of lowest exploration activity during the year. [Text] [Melbourne Overseas Service in English 0830 GMT 28 Apr 85 BK]

LAOS

PASASON NOTES 'IMMINENT FAILURE' OF CGDK

BK291106 Vientiane KPL in English 0921 GMT 29 Apr 85

["Nothing Can Save 'Democratic Kampuchean Government'"]---KPL Headline]

[Text] Vientiane, 29 Apr (OANA-KPL)--A cheap of contradictory opinions are rending the three Kampuchean reactionary groupings knocked together in a so-called "Democratic Kampuchean Coalition Government," PASASON said in an article on 27 April.

It is common knowledge that the "Democratic Kampuchean Coalition Government" was formed by the Beijing hegemonists and expansionists by uniting the three Kampuchean reactionary factions, including the Pol Potist genocidal clique, in the hope of reviving the genocidal regime which had already been overthrown by the fraternal Kampuchean people, the paper pointed out.

It continued: In terms of law, this "Democratic Kampuchean Government" has no legal (?standing). It has neither land nor completely relies on U.S. and Chinese aid for survival. [sentence as received] Having met with successive defeats, this tripartite "Government of Democratic Kampuchea" always blames its "bosses" for not providing help in time of need. But in fact the three Kampuchean reactionary leaders are threatening to cut each other's throat due to the unequal distribution of "aid" among themselves. Another cause of the bickering is that the aid from their "bosses" is transferred through Thailand whose officers and officials are benefiting a lot from it. Added to all this are General Vu Tahmjs' desertion, Sihanouk's offering to resign from his presidential role, and the increasing demand for political asylum for many leading officials of that puppet government. So, Sihanouk is pressing his foreign "supporters" for more aid.

However, no amount of aid can save the "Democratic Kampuchean Government" from its imminent failure, the paper concluded.

CSO: 4200/892

LAOS

BRIEFS

PARTY PROPAGANDA BOARD DELEGATION RETURNS--Vientiane, 27 Apr (KPL)--A delegation of the propaganda and training board of the party CC led by its deputy-head, Khamma Phomkong, returned here from Hanoi on 25 April. While there, the delegation attended a seminar from April 1921 on the struggle of Laos, Vietnam and Kampuchea against the adverse ideological and culture influences of the Beijing hegemonists and expansionists. [Text] [Vientiane KPL in English 0925 GMT 27 Apr 85 BK]

SALI VONGKHAMSAO RECEIVES JAPANESE ENVOY--Vientiane, 29 Apr (KPL)--Sali Vongkhamkao, vice-chairman of the council of ministers, chairman of the State Planning Committee, received here this morning the new ambassador of Japan to Laos, Toshitaka Tada. At the cordial reception, S. Vongkhamkao wished the Japanese ambassador success in his mission here for the interests of the friendly relations between Laos and Japan. [Text] [Vientiane KPL in English 0904 GMT 29 Apr 85 BK]

HANOI GIVES VIENTIANE MACHINE--Vientiane, 30 Apr (OANA-KPL)--Hanoi yesterday presented its sister Vientiane City with combustible briquette processing machine. Representing the authorities at the hand-over ceremony here were, the Lao side, Dr Siho Ban-gnavong, acting-mayor of Vientiane, and the Vietnamese side, Nguyen Dinh Hiep, member of the people's committees of Hanoi. Also present at the ceremony were Khampong Soulinphoumi, deputy-minister, member of the party committee and head of party's office of Vientiane, Miss Chanthachoni, deputy-minister, member of Vientiane party committee, and head of the Vientiane Bank. [Text] [Vientiane KPL in English 0916 GMT 30 Apr 85 BK]

SRV PUBLISHING DELEGATION LEAVES--Vientiane, 3 May (OANA-KPL)--A delegation of the Vietnamese Publishing Department led by Nguyen Trong Xuan, head of the department, left here yesterday after a week-long visit to Laos. While here, the delegation signed with the Lao side a memorandum on publications between the two sides was also signed here on this occasion. [sentence as received] The delegation called on the Lao minister of culture, Thongsing Thammavong. [Text] [Vientiane KPL in English 0901 GMT 3 May 85 BK]

PRK HEALTH DELEGATION LEAVES--Vientiane, 3 May (KPL)--A delegation of the Kampuchean Ministry of Public Health led by its deputy-minister, Chhea Thang, left here yesterday concluding a two-week visit. During its stay here, the

delegation toured the southern provinces of Savannakhet and Champassak. Bidding farewell to the delegation at Wattai Airport were Phen Phengsi-gna, Lao deputy-minister of public health, and Chong Toeun, counsellor to the Kampuchean Embassy here. [Text] [Vientiane KPL in English 0903 GMT 3 May 85 BK]

SAM VI-GNAKET AT WOMEN'S SEMINAR--Vientiane, 2 May (OANA-KPL)--Fifty-five members of the Lao Women's Union from five central provinces of Laos ended their seminar on 30 April after 22 days of sitting. They studied documents regarding the party's policy on women's role and main work in 1985. Present at the closing ceremony were Saman Vi-gnaket, secretariat member of the party CC, and Mrs Khampheng Boupha, member of the party CC, president of the Lao Women's Union. [Text] [Vientiane KPL in English 0903 GMT 2 May 85 BK]

LAOS, VIETNAM SIGN COOPERATION MEMORANDUM--Vientiane, 29 Apr (OANA-KPL)--The Lao Ministry of Material and Technical Supply and the Vietnamese Ministry of Materials signed here this morning a memorandum on their 1985 cooperation. In their discussion, the two sides reviewed the implementation of their 1984 cooperation plan and worked out a new plan for this year. Signing the document are Thongsavat Paseut, deputy-minister of Material and Technical Supply of the Lao PDR, and Tran Trieu, deputy-minister of Materials of the SRV. The Vietnamese delegation will leave this afternoon after concluding a one-week visit here. [Text] [Vientiane KPL in English 0909 GMT 29 Apr 85 BK]

FRIENDSHIP DELEGATION RETURNS FROM USSR--Vientiane, 26 Apr (KPL)--A delegation of the Lao-Soviet Friendship Association led by its president Khamliang Phonsena, who is also minister of public health, was back home from the Soviet on 23 April. The delegation attends a seminar there on the theme of the 40th anniversary of the victory over German fascism and Japanese militarism. [Text] [Vientiane KPL in English 0901 GMT 26 Apr 85 BK]

TRADE UNION DELEGATIONS RETURN--Vientiane, 26 Apr (KPL)--A delegation of the Lao Federation of Trade Unions [LFTU] led by its president, Thitsoi Sombatdouang, arrived home on 23 April after having attended the 33rd meeting of the bureau of the World Federation of Trade Unions in Budapest on 16-18 April. The session, attended by delegations of 30 member countries of the WFTU and five international organisations reviewed the activities of the WFTU in support of workers throughout the world, and the preparation of the 11th General Congress of the WFTU and an extraordinary session in celebration of the 40th anniversary of the victory over Hitlerite fascism. Another delegation of the LFTU led by Gni Gna, member of its executive committee, was also back home on the same day from Bulgaria where it attended from 16 to 17 April a conference on workers' democracy and self-management in production. The conference was attended by delegations from eight socialist countries. [Text] [Vientiane KPL in English 0902 GMT 26 Apr 85 BK]

VIENTIANE DELEGATION TO SRV--Vientiane, 26 Apr (KPL)--A Vientiane delegation led by Thongmani Thiphommachan, alternate member of the LPRP CC, deputy-mayor of Vientiane, left here yesterday for Ho Chi Minh City, the Socialist Republic of Vietnam, to attend the celebration of the 10th anniversary of the liberation day of Ho Chi Minh City (30 April). Bidding farewell to the delegation at the

airport here were Dr Siho Bannavong, acting-mayor of Vientiane, and Khampong Soulinphoumi, deputy-minister, member of the Vientiane party committee. Nguyen Dinh Hiep, member of the party committee and the people's committee of Hanoi here, was also present at the send-off. [Text] [Vientiane KPL in English 0859 GMT 26 Apr 85 BK]

SRV-AIDED RESERVOIR--Vientiane, 26 Apr (KPL)--The construction of Houai Pong water reservoir in Luang Namtha District, a northern province of the same name, has been completed. This reservoir has a capacity of 200,000 m3 of water. Its construction was started in late 1983 with the aid of the irrigation company of Vinh Phu Province of the Socialist Republic of Vietnam. [Text] [Vientiane KPL in English 0909 GMT 26 Apr 85 BK]

HANOI-AIDED ICE FACTORY--Vientiane, 26 Apr (KPL)--An ice and ice-cream factory built with assistance from Hanoi was handed over at a ceremony held here yesterday. Signatories to the hand-over document were Bounsom Sivolabout, head of the Vientiane coffee mill, and Nguyen Van, head of a Hanoi team of industrial experts. The signing ceremony was witnessed by Dr Siho Bannavong, acting-mayor of Vientiane, and Nguyen Dinh Hiep, member of the party and people's committees of Hanoi here. [Text] [Vientiane KPL in English 0911 GMT 26 Apr 85 BK]

TRADE UNION DELEGATES LEAVE--Vientiane, 27 Apr (KPL)--Chansai Nanthavong, vice-president of the Lao Federation of Trade Unions [LFTU], led his delegation to Moscow on 24 April to attend the celebration of 1 May. The delegation is also to participate in the celebration of the 40th anniversary of the victory over German fascism and Japanese militarism scheduled to be held in Moscow from 3 to 4 May. Then, the delegation will fly to Ulaanbaatar, Mongolia, for an international conference of trade unions of Asia and the Pacific to be organized there on 15-17 May under the motto: "For peace and cooperation in Asia and the Pacific." Another delegation of the LFTU led by Phonvilai, member of its executive committee, left here on the same day for Sofia, Bulgaria, for the celebration of 1 May. [Text] [Vientiane KPL in English 0923 GMT 27 Apr 85 BK]

GDR GIFTS--Vientiane, 27 Apr (KPL)--Dietrich Jaack, GDR ambassador to Laos, presented here yesterday gifts from the government and the solidarity committee of the GDR to Somsa Desasomphou, deputy-minister of culture. The gifts included two trucks and printing equipment valued at 60,000 roubles for the Lao state printing house. The hand-over ceremony was witnessed by Singkapo Sikhotchounlamani, chairman of the Lao Committee for World Peace, Solidarity and Friendship With Other Nations. [Text] [Vientiane KPL in English 0926 GMT 27 Apr 85 BK]

COOPERATION MEMORANDUM WITH VIETNAM--Vientiane, 29 Apr (OANA-KPL)--Attapeu and Minh Hai, the southern most provinces of Laos and Vietnam respectively, are to broaden their economic cooperation under an agreement recently signed in Attapeu. Minh Hai will help Attapeu to install a welding workshop and a wood veneering workshop and to repair Road N 188 stretching from the Vietnamese frontier to Se Kuaman of Attapeu. The two sides will also cooperate in exploiting five to ten thousand cubic meters of wood for 1985. [Text] [Vientiane KPL in English 0911 GMT 29 Apr 85 BK]

SOVIET-BUILT STATE FARM--Vientiane, 27 Apr (KPL)--The Latsen state farm in the northern Xieng Khouang Province built with assistance from the Soviet Union was handed over to the Lao side at a ceremony held thereon 25 April. Signing the hand-over document were Khamsing Sai-gnakon, deputy-minister of agriculture, irrigation and cooperation of the Lao PDR, and K. Stepanov, economic counsellor of the Soviet Embassy here. This farm can raise 2,450 heads of beef cattle and produce 235 tons of beef and 175 calves per year. The farm workers will also grow rice, beans, potato and grass for use as fodder. [Text] [Vientiane KPL in English 0836 GMT 28 Apr 85 BK]

CSO: 4200/892

MALAYSIA

SABAH CHIEF ANNOUNCES CABINET APPOINTMENTS

BK291203 Kuala Lumpur NEW STRAITS TIMES in English 24 Apr 85 p 2

[Excerpt] Kota Kinabalu, Tucs--Minister Datuk Joseph Pairin Kitingan today unveiled his Cabinet comprising six men and a woman.

The Deputy Chief Minister is Mr Mark Koding. He is the Parti Bersatu Sabah (PBS) vice-president and State Assemblyman for Ranau as well as member of parliament for Kinabalu.

Mr Koding is also industrial development minister.

An appointed state assembly member, Mr Bernard Giluk Dampok, is finance minister and an other appointed member, Puan Aariah Ahmad, is welfare services and national unity minister.

"Giant-killer" Encik Kadoh Agundong, also a PBS vice-president, who defeated former Chief Minister Datuk Harris Salleh in Tenom, holds the local government and housing portfolio.

Api-Api State Assemblyman Mr Chau Tet On, another PBS vice-president, is communications and works minister.

Sook Assemblyman and PBS Secretary-General Mr Joseph Kurup, who defeated former Deputy Chief Minister Tan Sri Suffian Koroh, is agriculture and fisheries minister.

Encik Nahalan Haji Damsal, the unsuccessful PBS candidate for Sekong, is another appointed state assemblyman who has been given a post in the Cabinet. He is the culture, youth and sports minister.

The post of minister of manpower and environment and environmental development will be announced in two days' time.

PBS currently holds 26 elected seats, including Moyog when its elected representative, Mr Ignatius Malanjum of Pasok, joined the party.

Under the Sabah state constitution, the ruling party is empowered to appoint six assembly members.

Two others who were appointed state assembly members are Mr Clarence Bongkos Malakun. The PBS candidate for Moyog whose nomination papers were rejected, and Encik John bin Angian Andulag.

Another assembly member is to be appointed later.

All the ministers, except for Puan Ariaah, took their oath of office before the Yang di-Pertua Negeri, Tun Mohamad Adnan Robert, at the Istana today.

Puan Ariaah is expected to be sworn in together with the manpower and environmental development minister later this week.

The ceremony was witnessed by about 300 people including the consort of the Yang di-Pertua Negeri, Toh Puan Hajah Mariam, Chief Minister Datuk Pairin, and his wife Datin Genevieve and State Secretary Tan Sri Abdul Hamid Egoh.

CSO: 4200/879

MALAYSIA

TWO MORE MINISTERS NAMED TO SABAH CABINET

BK291205 Kuala Lumpur NEW STRAITS TIMES in English 26 Apr 85 p 2

[Text] Kota Kinabalu, Thur--Lawyer Tan Kit Sher was today appointed the eighth minister in Datuk Joseph Pairin Kitingan's Cabinet.

Mr Tan, 44, who won the Tanjong Papat seat in the state elections over the weekend, was sworn in as minister of manpower and environmental development before the Yang di-Pertua Negeri, Tun Haji Mohamad Adnan Robert, at the Istana this morning.

Also sworn in was nominated Assemblywoman Aariah Tunku Ahmad as minister of welfare services and national unity. She is a teacher-turned-businesswoman and heads the women's wing of the PBS [Parti Bersasu Sabah].

Seven assistant ministers also took their oath of office today. They were:

Tamparuli Assemblyman Wilfred Mojilip Bumburing, 34, an economics graduate from the University of Malaya, who worked as an administrative officer in Bank Negara (assistant minister to the chief minister);

Petagas Assemblyman James Andrew Vitalis, 44, a former assistant registrar of the high court here, who later obtained a law degree from Lincoln's Inn (assistant minister to deputy chief minister);

Inanam Assemblyman Steven K. Kutai, 37, a B.SC., graduate and former deputy general manager of the Sabah Credit Corporation (assistant finance minister);

Matunggong Assemblyman Mathius Majihi, 34, a technologist and former teacher (assistant minister of communication and works);

Sembulan Assemblyman Francis Liong Che Kiong, 33, a B.A. graduate, who also holds a law degree (assistant minister of housing and local government); and

Nabawan Assemblyman Adut Sigoh, 42, a former Usno member and an ex-employee of the Anti-Malarial Department of the Health Ministry (assistant minister of culture, youth and sports).

The swearing-in was witnessed by Ton Puan Hajah Mariam, the wife of the Yang di-Pertua Negeri, Datuk Pairin, state ministers, State Secretary Tan Sri Abdul Hamid Egoh, senior resident judge Datuk Charles Ho and State Attorney-General Datuk Nicholas Fung.

Mr Tan Kit Sher narrowly defeated former Resources Development Minister SCephen Wong Soon Yu in the Tanjong Papat constituency in a three-cornered fight.

With the swearing-in of the two ministers, the new PBS state government has eight ministers--one short of the nine-member Cabinet of the former--Berjaya Government.

It is learnt that the PBS is looking for a strong Malay candidate to fill the ninth portfolio.

Two more assistant ministers are also expected to be named soon.

CSO: 4200/879

MALAYSIA

DAILY VIEWS SIHANOUK'S IMPORTANCE TO CGDK

BK291033 Kuala Lumpur NEW STRAITS TIMES in English 27 Apr 85 p 10

[Editorial: "The Role of Sihanouk"]

[Text] Ever since the Vietnamese invasion of Kampuchea towards the end of 1978, proud and bold resistance fighters belonging to the three main factions of the Coalition Government of Democratic Kampuchea under Prince Norodom Sihanouk's charismatic leadership have been battling a much stronger and more experienced fighting force from outside. Their dour resistance has been physical/military as well as psychological and political. But during the recent dry season offensive, Vietnamese troops succeeded in virtually destroying all the major base camps of the resistance groups along the Kampuchean/Thai border. The resistance fighters have apparently been drubbed, but not defeated; they have learned their lesson--that guerrilla fighters should move about and attack their enemy instead of digging in against a greatly superior force.

The more realistic among them never had any illusion that they would win the war through physical means. "We have courageous soldiers but they cannot win," Prince Sihanouk said recently. But if no military solution is possible, the resistance war should be waged more actively and effectively on other fronts. Only the Vietnamese, with their superior military strength and hitherto inextinguishable self-confidence as a highly experienced fighting force, resort blatantly to crude force. Moreover, they like to fight and talk at the same time--fighting furiously so that they can talk and perhaps dictate terms from a position of strength. But when they choose to talk, their diplomacy is one of duplicity and deception. Obdurate, they obfuscate issues.

Nevertheless, a political solution through a properly negotiated settlement offers the only honourable way out for all parties involved in the Kampuchean conflict. This is the only way to peace--if peace were truly desired. Foreign troops must be withdrawn from Kampuchea and the Kampuchean people allowed to exercise their right of self-determination. Despite its bombastic announcements and empty gestures, Hanoi is unlikely to withdraw its occupation troops until it has secured Kampuchea under its wings.

The real war is therefore psychological. While the Vietnamese hope to crush the resistance (within five years, according to more optimistic officials in

Hanoi), the anti-Vietnamese forces expect to "bleed" the enemy in a campaign of attrition. Apart from military edge, the outcome depends on which side has more grit, gumption and stamina over a protracted period of time.

Are the resistance fighters as prepared as their mortal foes for the long haul? Prince Sihanouk's resignation as president of Democratic Kampuchea would be a clear signal to the enemy that the opposition was finally crumbling. His departure would erode the morale of the resistance fighters on the ground as well as that of their supporters within and outside Kampuchea. It would then be easier for the Vietnamese, who have failed so far, to drive a wedge within the tripartite coalition. Prince Sihanouk has denied only a few days ago that he is ready to give up the resistance. The duty of the resistance soldiers, he said, is to fight. Yes; they must continue to fight for the liberation of their country. They must struggle on. As a patriot and titular head of the resistance movement, Sihanouk should be persuaded to stay the course. While his exit could be demoralising to his men, his continued presence would symbolise the indomitable spirit of Kampuchean resistance. His decision to remain at the helm is undoubtedly the right one.

CSO: 4200/879

MALAYSIA

COMMENTARY VIEWS PROXIMITY TALKS ON CAMBODIA

BK291305 Kuala Lumpur International Service in English 0800 GMT 29 Apr 85

[Unattributed commentary]

[Text] ASEAN Has always attempted to find ways to end the conflict in Kampuchea, which is a major cause of tension in Southeast Asia. The latest plan, which was announced by the Malaysian foreign minister, Tengku Ahmad Rithauddeen, is that the warring factions in Kampuchea should hold proximity talks as a means of ending the conflict. This proposal has been accepted by the ASEAN foreign ministers. The recent meeting of Afro-Asian nations in Bandung, Indonesia, provided an opportunity for the ASEAN partners to get together to review developments in the Indochina region.

In the words of the Malaysian foreign minister, the proximity talks could serve as a prelude to an international conference on Kampuchea. To make it somewhat more credible, Tengku Rithauddeen has in mind not direct or face-to-face dialogue sessions between the parties concerned but a series of negotiations handled by a neutral intermediary acceptable to all the parties concerned. This is a very necessary mode of operation in view of the problem of recognition and nonrecognition that is bound to crop up when the plan is considered. In any case, there are numerous precedents for this type of diplomatic negotiations.

The Kampuchean issue involves the Vietnamese-backed Heng Samrin regime, which purports to be the Government of Kampuchea on the one side, and the tripartite coalition on the other side. This anti-Vietnamese coalition, which is the Government of Democratic Kampuchea headed by Prince Norodom Sihanouk, comprises the communist faction, better known as the Khmer Rouge, the anticommunist group or the Khmer People's National Liberation Front, and the neutralist group of President Norodom Sihanouk. It will, of course, be necessary for anti-Vietnamese parties to work out a common manifesto or a set of proposals before meeting the Heng Samrin side. It would be necessary to overcome any suspicions on the part of the Heng Samrin government about the sincerity and seriousness of purpose on the part of the tripartite Kampuchean Government. Another major prerequisite is the attitude of the Government of Vietnam, which now calls the tune in Phnom Penh. Hanoi may not be willing to allow its client state to open any lines of communication with the tripartite coalition. On the other hand, it might agree purely to give the world a favorable image

of itself to the commencement of talks through an acceptable intermediary.

The Malaysian prime minister's initiative is yet another avenue for a peaceful settlement that Malaysian and its ASEAN partners desire in Kampuchea. ASEAN has no territorial ambitions nor demands on Kampuchea. All it is seeking is the establishment of a regime in that war-torn country that is truly representative of its people. The coming weeks will indicate whether this will be possible.

CSO: 4200/879

17 May 1985

MALAYSIA

PAPER REPORTS ON LEADERSHIP OF PAS PARTY

BK301141 Kuala Lumpur NEW STRAITS TIMES in English 29 Apr 85 p 5

[Text] Kuala Lumpur, Sunday--PAS [Pan-Malaysians Islamic Party] re-appointed the incumbents to most of the key posts in the party at its Central Committee meeting at PAS headquarters here today [28 April].

Haji Hassan Shukri was re-appointed secretary-general and Syed Ibrahim Abdul Rahman, its treasurer, at the 5-hour meeting chaired by party President Haji Yusof Rawa.

As for the Supreme Council members, except for Encik Alwi Abdul Hamid of Pahang, all are new faces. They are Encik Omar Ismail (Perlis), Encik Hassan Salleh (federal territory), Puan Jamilah Ibrahim (Selangor), Haji Mohamed Arif Yaakob (Perak) and Encik Abdul Sattar Haji Taha (Johore).

The state commissioners for 1985-87 are Haji Hassan Hussein (Johore), Haji Jaliluddin Haji Abdul Wahid (Malacca), Encik Mansor Keliwong (Negri Sembilan), Haji Ismail Hashim (Selangor), Encik Baharuddin Abdul Latif (Perak), Encik Zubaidi Ali (Penang), party deputy President Haji Fadzil Noor (Kedah), Encik Mahmud Mohamed Noor (Perlis), who is a new face, Dewan Ulama [Religion Assembly] Chief Haji Nik Abdul Aziz nik Mat (Kelantan), vice president Haji Abdul Hadi Awang (Terengganu) and Encik Rsushdi Arif (Pahang).

The meeting also appointed chairmen for the various bureaus. They are Haji Fadzil (discipline and also parliament and government), Haji Yusof (finance and politics), Haji Nakhaie Haji Ahmad (dakwah and information), Haji Hadi (tarbiah (cadreship) and leadership training), Haji Mustapha Ali (elections) and Syed Ibrahim (liaison and foreign affairs).

Wan Mutalib Embong was appointed the party's legal advisor while Dr Haji Abbas Alias was made the jihad and welfare fund chairman.

CSO: 4200/887

MALAYSIA

RECENT PAS SYMPOSIUM ON NATIONAL UNITY VIEWED

BK281606 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 27 Apr 85

[News commentary: "Who Is the Common Oppressor of the People of All Nationalities?"]

[Text] The recent annual general assembly of the Pan Malaysian Islamic Party [PAS] in Kuala Lumpur has drawn the attention of various nationalities. Many observers, including non-Muslims, attended the assembly. The public pointed out that such an event had seldom taken place before. This was in fact closely related to the resurgence of Islam and the present political development in our country. Thus, more people want to understand the party's struggle.

However, a recent PAS-sponsored symposium has caused a real sensation. The symposium created a good impression among many people who originally did not know much about the party. It is understood that the symposium on Islam and national unity sponsored by Lubnah [an Islamic religious faction] of the PAS Setapak Branch, the Federal Territory, was held at the Selangor Chinese Assembly Hall on 10 February. Presenting working papers to the symposium were President of the National Consciousness Movement [Aliran] Dr Chandra Muzaffar, National University of Malaysia lecturer Associate Professor Dr Harun Din, University of Malaya lecturer Dr Abdul Ziz Hanafi, and president of the Institute for Social Analysis Dr (Jomo K. Sundram). The symposium was well attended. Among the hundreds of non-Muslims present were members of the symposium panel such as Dr Tan Chee Koon, Dr (Tay Siew Koh) and several others.

PAS President Hai Yusof Rawa and Vice President Haji Abdul Hadi Awang both gave lectures at the symposium. They pointed out that one of the objectives of the party-sponsored symposium was to explain to non-Muslims the Islamic teachings and spirit and that Islam as practiced by the party is a peaceful religion. They stressed that PAS does not force non-Malays to embrace Islam and also does not oppose the Chinese or Indians. PAS respects the cultural traditions of the Chinese and Indians. The two party leaders criticized the National Front government for failing to overcome problems facing the country. Moreover, it is unable to settle the racial issue because the major component members of the National Front like the United Malays National Organization [UMNO] cannot free themselves from the racially based politics. The speeches delivered by PAS leaders and lecturers were warmly welcomed by the participants.

Many honest observers believe that to carry out racial discrimination and religious oppression, the UMNO ruling clique all the while has been rallying all efforts to discredit PAS by describing it as an extremist racist and religious group. The UMNO ruling clique is deceiving and intimidating the Chinese and Indian masses by claiming that if they do not accept UMNO policy, they will be subjected to catastrophe if the extremist PAS comes to power. The UMNO ruling clique is also deceiving and oppressing the Malay masses with its main objective of forcing them not to condemn the crimes of UMNO leaders deviating from Islam such as treason and corruption. The UMNO ruling clique is not only persecuting the Chinese and Indian masses but is also oppressing the Malay masses and Muslims.

The PAS-sponsored symposium can be described as a new attempt to provide the oppressed people of all nationalities with an opportunity to achieve mutual understanding to enable them to unite further and create conditions to resist the UMNO ruling clique's oppression. The UMNO ruling clique has strongly opposed this trend.

Consequently, as soon as news on the symposium appeared, the UMNO ruling clique immediately through its official organ UTUSAN MALAYSIA arbitrarily slandered the symposium, claiming that the announcement and the symposium's banners were written in Chinese characters and causing an outcry about the place where the symposium was held. It claimed that the Selangor Chinese Assembly Hall is a place where pork and liquor are served. The newspaper frontpaged a report about the place and so on. However, the people can see that the more the UMNO ruling clique resorts to slanders, lies, and destruction, the more its racial nature and wicked prejudices will be exposed.

The successful symposium and UMNO's treacherous acts have made progressive figures of various nationalities in our country ponder about:

1. Who is the mastermind behind various calamities and unjust events such as the great 13 May massacre, difficulties faced by the Chinese and Indian masses in earning a living, and the elimination of the Chinese and Indian languages and cultures? Who else but the UMNO ruling clique?

2. The violation of the rights and interests of the Chinese and Indians by the UMNO ruling clique, the strengthening of its political machinery, and oppression have also affected the Malay masses. In addition, it has dealt a blow to the development of Islam.

In conclusion, are there any reasons not to allow the broad masses of the Malay, Chinese, and Indian nationalities to unite to oppose the common oppressor?

CSO: 4213/218

BRIEFS

MCA OFFICIAL RESIGNS, REPLACEMENT NAMED--Tan Sri Chong Hon Nyan has resigned as MCA [Malaysian Chinese Association] secretary general, a post he has held since 1977. This was announced by MCA Acting President Datuk Dr Neo Yee Pan in Kuala Lumpur. MCA Central Working Committee member Datuk Dr Tan Tiong Hong takes over from Tan Sri Chong. Datuk Dr Yeo said the appointment of Datuk Dr Tan is in accordance with Article 24 of the party's constitution. The acting president said the central working committee has placed on record its appreciation for Tan Sri Chong's services during his term of office and his untiring efforts to solve the party's crisis. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 1 May 85 BK]

'FOREIGN FISHERMEN' ROB LOCAL FISHERMEN--The Foreign Ministry is currently conducting an investigation into a report that claims that fishermen of a neighboring country intruded into Kelantan state waters and robbed local fishermen of their catch last Sunday [28 April]. In a statement today, Foreign Affairs Minister Tengku Ahmad Rithauddeen viewed the report with gravity. Press reports early this week claimed that foreign fishermen, in groups of 20 to 30 boats, committed the actions, resulting in the loss of over M\$3,000. In a statement read by his press secretary, Suhaimi Yaakob, Tengku Rithauddeen said the investigation currently being conducted by the Foreign Ministry officials is in cooperation with the police. Tengku Rithauddeen also advised residents, especially fishermen, in the country not to worry unduly and not to be afraid to go out to sea. This is because the territorial waters are always closely watched. [Excerpt] [Kuala Lumpur Domestic Service in Malay 1230 GMT 1 May 85 BK]

'REEMERGENCE' OF MCA CRISIS--Top Malaysian Chinese Association [MCA] leaders led by acting party President Datuk Dr Neo Yee Pan today met Datuk Sri Dr Mahathir Mohamed to brief him on the MCA crisis, which resurfaced during the prime minister's recent visit abroad. A BERNAMA report says the prime minister expressed his displeasure over the reemergence of the crisis despite the accord reached with the signing of the 30 January agreement between the two factions in the MCA. Datuk Dr Neo explained to Datuk Dr Sri Mahathir, who is also Barisan national chairman, the reason for the continued intraparty feud between his and the Tan Koon Swan faction. The prime minister was also briefed on the reason for the resignation of Tan Sri Chong Hon Nyan as party secretary general yesterday and the appointment of Datuk Dr Tan Tiong Hong to succeed him. In another report, BERNAMA said the MCA leadership has reopened a dialogue with the Tan Koon Swan faction in [words indistinct] to resolve the party crisis without having to go through the extraordinary general meeting, scheduled for the 12th of this month. Several meetings were held today through [word indistinct] third party. [Text] [Kuala Lumpur Domestic Service in English 1330 GMT 2 May 85 BK]

NEW ZEALAND

DEFENSE COUNCIL MOVES TO HALT AIR CREW RESIGNATIONS

HK010950 Hong Kong AFP in English 0923 GMT 1 May 85

[Text] Wellington, 1 May (AFP)--The New Zealand Defense Council today declared "a state of critical manning" in the Royal New Zealand Air Force in a move to stop growing numbers of aircrew resignations.

The council used its powers under the New Zealand Defense Act after resignations "reduced manning levels to an unacceptable point," Defense Minister Frank O'Flynn said.

Mr. O'Flynn said shortages included officer pilots, navigators, air electronics officers and air electronic operators.

He said the declaration meant that any air force officer or airman would serve two further years after giving notice of resignation.

Dozens of air crew and air crew officers have resigned in recent months to be recruited by domestic airlines.

This was the first time the Defence Council has invoked its powers to prevent staff losses by the armed forces in peacetime.

Defence chiefs in the past have confirmed that the row between New Zealand and the United States under the ANZUS defence pact linking them with Australia and the cutting of most defence cooperation between Washington and Wellington was also affecting manning levels.

CSO: 4200/873

PHILIPPINES

VERITAS REPORTS 'ISLAMIC REVIVALISM,' DETERMINATION OF MNLF

'Back To the Faith' Movements

Quezon City VERITAS in English 3 Mar 85 p 11

[Article by Virgilio S. Labrador, first of two parts: "Mindanao's Ravaged Land"]

[Text]

Whenever they kindle a fire for war Allah extinguishes it. And they strive to create disorder in the earth, And Allah loves not those who create disorder.

— Holy Qur'an

THE 'news' it is said is in Mindanao," wrote the murdered journalist and political activist Alex Orcullo and goes on to say — "nothing could be further from the truth. In a land peopled by 12.2 million population of diverse backgrounds and origins, Mindanao is witness to a pattern that has changed overnight from a land of promise and opportunity to a 'bleeding land'..."

Indeed, journalists of every conceivable stripe in search of the "news" are having a field day covering a powderkeg of an island rife with conflict. Mindanao — the very utterance of the word conjures images of blood and fire, disorder and unrest and

internecine strife. And somewhere between the vision and reality falls not a shadow but stark reality itself. Where gun-toting military men and civilians are a common sight, armored cars and tanks part of the normal traffic and the din of life occasionally interrupted by staccato bursts of gunfire.

In the relative safety of the open air bar of Zamboanga's Lantaka Hotel, a local newsman laments while gazing pensively at the then placid Moro gulf, "Mindanao has been left out of every development scheme hatched by the national government, it's as if we live in another country."

Which is exactly how the "revolutionary" segment of the three million or so Muslim population of the south perceive their state — as another country — they call the Bangsa Moro homeland, comprising Mindanao, Palawan and Sulu. A thorny issue precipitating a seemingly unresolvable dirty war that has made a veritable

battleground of this naturally rich island.

"As a result of utter neglect, the majority of the people here remain in dismal poverty, and the only thing cheap you can find here is human life..." the Zamboanga newsman added.

LIKE an epic passed on from generation to generation, Imam Mike Makakuwa, a Muslim religious leader narrates vividly the horrors of war which he traces to the massacre inside the mosque in Barrio Manili, Carmen, Cotabato where at least 70 men, women and children were invited to a peace conference allegedly by military men and subsequently murdered last June 19, 1971. "Men were beheaded, women including those who were pregnant were abused, mutilated and disemboweled and children's ears were cut off," and what follows is a litany of death.

An unending tally of massacres and atrocities

ensued. Seventeen people in Bual, Tulawan, Cotabato on Sept. 17, 1971; 37 people in Tacub, Kauswangan, Lanao del Norte on Nov. 22, 1971 and 500 civilians during the same period due to military operations in Lebak, Cotabato. Entire towns and cities like Jolo were razed to the ground leaving hundreds of thousands homeless in the wake of incessant military operations.

"Since the outbreak of the conflict, civilian casualties have run 10 times more than army and rebel losses, and close to 500,000 civilians have been rendered homeless or dislocated by the conflict," thus by his own admission did Mr. Marcos write in *Five Years of the New Society*.

Attesting to this fact and its effect on the Moro people, Dr. Parouk Hussin, testifying before the Permanent People's Tribunal in the Hague said "to the Bangsa Moro people these atrocities of Marcos and his armed

forces come not as a surprise. For there can be no greater testimonies to their crimes than the suffering of our people under their blood-soaked hands, children bayoneted to death, infants trampled under the boots of the savage colonial soldiers, women molested and raped (and not content with satisfying their carnal lust, they insert bottles into the Moro women's genitals before they are executed) and aged men hogtied and often used by these cowardly colonial soldiers to shield them from fire. These are just some of the grim picture of genocide in the Bangsa Moro homeland. . . . Each time a massacre is perpetrated, according to Imam Makakuwa, able bodied relatives of victims and survivors readily go up to the hills to seek vengeance.

"Too much blood has already been spilled and lo! it crieth from the ground for a change in policy and for noble measures and means." The words are the unheeded cry in the wilderness of Dr. Najeeb Saleeby written in 1913 when it was still called the "Moro problem." A statement as valid today as it was then.

Whence come such a change?

A glimmer of hope was presented during the 42-nation Organization of Islamic Conference (OIC)-sponsored negotiations in

Tripoli between the warring Moro National Liberation Front and the Philippine government in 1977, which brought the war to an uneasy halt. The "cease-fire" however, proved temporary, as each side accuses the other of violations of the provisions of the agreement.

Soon after the signing of the Tripoli agreement, Defense Minister Juan Ponce Enrile said in an address given at the Southern Command Headquarters at Zamboanga City: "let the blood flow if it must. . . whoever wants to test the capability of the Armed Forces, let him test it." A statement which he later reiterated on Dec. 2, 1977 saying "we are ready to shed blood, I said it then and I say it now, as far as the Mindanao problem is concerned, if the dissidents want to test our capability let them do so, including their sponsors" (*Dateline*, Oct. 26, 1982).

The "peace" that was to follow was a Carthaginian peace, and the war rages still. The Tripoli agreement like the Bates Treaty of 1899 were political expedients designed to nip the "Mindanao problem" in the bud via deceit and false promises. What General Bates said at the turn of the century could well be said of the present: "the Treaty was made at a time when nearly all the state volunteers

have been sent home and other troops had not arrived to take their places. It was a critical time, as all the troops were needed in Luzon. The government could not afford to stir up trouble with the Moros. The treaty was made as a temporary expedient to avoid trouble. It has served its purpose. . . ."

On the hope of any revival of the Tripoli agreement, MNLF chairman Nur Misuari was recently quoted to have said: "We have gone very far. There is no turning back. Marcos has betrayed us. The Tripoli agreement was renounced by him. There is no hope of any revival of the agreement. We want complete independence."

And blood flows no end in Mindanao. In August 10, 1984, 18 Muslim civilians were reportedly massacred while awaiting Friday congregational prayer in barangay Pantar, Alamada, Maguindanao.

AT the very heart of the Moro people is an ideological religion of immense persuasion and power — Islam, which in no uncertain terms plays an important role in the conflict.

In the city of Cotabato, there is an emerging movement of Islamic resurgence, that is spreading visibly across the whole of Moroland. Riding on a wave of Islamic revivalism, rooted in *Dakwah*

(back to the faith) and revolutionary movements in the Middle East, Islamic organizations and groups are in a flurry of activity propagating Islamic consciousness. The atmosphere of *Dakwah* cannot be missed, as was seen by *Veritas* during a visit to Cotabato and Marawi. Seminars, symposia and fora were held and more scheduled. Religious *ulamas* and *ustadz* were hard at work effecting what they call "Islamization." Abdul, a community organizer, said "Islamization is the only answer to the current political and economic problems of our people. What some Muslims profess to be Islam is not at all Islam, for there is no oppression in Islam, and one cannot claim to be a Muslim if one exploits his fellowman."

Islam in Muslim is more than just a religion, as Dr. Jun Alonto, chairman of the Muslim-Christian Alliance for Justice, Freedom and Peace explained — "Islam is a complete way of life, encompassing the political, economic, cultural and spiritual aspects of existence; it holds in itself the basis for a complete social system and is an ideology where politics and religion are joined."

Islam is the driving force in Moro society, and this is demonstrated in every aspect of the conduct of their mode of life and even in war. —

Rebels Still Fighting

Quezon City VERITAS in English 10 Mar 85 pp 14, 15

[Article by Virgilio S. Labrador, second of two parts: "The War in the South"]

[Text]

The words of a Moro cry read:

*The oracle forever spins
generation bloom and pass
the father, son and child
live, fight and die for each.*

*But my fathers are alive in me
and my children potent in me
their groans that ask for justice
done their cries and shouts
for victory.*

*My strength forever
boundless and immense
my will eternal
free and proud.*

THE Moro people are testament to a 400-year history of struggle and resistance. They are the proud possessors of a distinct culture and identity, which by all indications they are determined to preserve and assert.

In an isolated barrio of Lanao del Sur at the fringe of a jungle, a group of youngsters are playing basketball in a crudely made court. It would have been a typical rural scene were it not for the ammunition belts worn by some of them while they try to sink baskets and dribble away the time, and noticeably close by is a stack of heavy firearms. For most of the youths are members of the MNLF's military arm — the Bangsa Moro Army, whose members call themselves *mujahedeen* or "freedom fighters."

"What differentiates us from other political groups such as the NPA, is our adherence to an Islamic ideology," said the group's leader, 31-year-old Commander Narrah, who leads an estimated 300 men in the third zone of the Ranao Revolutionary Committee. "This is a holy war, a *jiha*d against imperialism and colonialism, a national struggle of the Bangsa Moro

people for the liberation of their homeland," said Narrah.

Government spokesmen and the controlled press are quick to dismiss the war in the south as a foregone conclusion and the MNLF "neutralized." It has also recently announced that in addition to the recent surrender of Commander Nur Khan of the Davao Revolutionary Committee with 500 of his men last Feb. 9, some 53,000 hard-core Muslim rebels have returned to the folds of the law. A figure that would closely equal the 60,000 peak number of the Armed Forces stationed in Mindanao at the height of the conflict.

It is a fact, however, that the government policy of attraction (read: bribery) did yield a good number of high ranking MNLF commanders and their followers such as Commander Ronnie (Amelil) Malagulok, once head of the Kotawato Revolutionary Committee and now Region 9 autonomous government chairman; Gerry Sallapudin of Basilan, Tupay Loong of Sulu and Jimmy Lucman (Jungle Fox) of Lanao.

"It is just part of the normal weeding out process of revolution, which purges the opportunist among our ranks through the exposure of their real nature," commented Commander Solitario, a foreign trained ranking officer of the MNLF in Lanao del Norte.

Salim, an MNLF spokesman in Lanao told *Veritas* that as a result "of the Marcos government's machinations" after the Tripoli agreement some of their forces were deceived into surrendering causing demoralization, and the MNLF organization split into factions.

Hashim Salamat, an Islamic scholar and former vice-chairman of the MNLF, broke away from Nur Misuari's leadership, bringing with him the more conservative elements of the MNLF. A member of the Salamat faction in Cotabato city noted that "the fundamental difference between us and the other factions is our strict adherence to Islam, which is also one of the factors which caused chairman Salamat's split from the MNLF leadership, as a protest to the growing un-Islamic tendencies in the MNLF leadership." Dimas Pundato, likewise a former MNLF vice-chairman heads a "reformist" faction, which seeks to reform the MNLF leadership of what it terms the "financial opportunism" and "undemocratic" tendencies of the MNLF leadership. The factionalism notwithstanding, Misuari's leadership of the MNLF remains firm, which his group being the largest and enjoying the support of most Islamic countries. The Salamat faction member is more optimistic. Says he: "We do not believe there are any real factions, for we are working for a common cause and finding ways of cooperation with all having the intention of uniting eventually."

WHEN once the estimated MNLF strength went as high as 30,000 today the MNLF spokesman conservatively estimates 5,000 full time guerrillas and twice that number of irregulars. "We are in a period of consolidation. This is the natural consequence of a process which started in the early seventies, when the MNLF, as a revolutionary organization should have started from the political aspect of the struggle to the military. However, circumstances forced upon the MNLF to

wage a military struggle first because of the terrorist bands of the Philippine Army and the so-called Ilagas were conducting systematic genocidal assaults on Moro villages and population centers. It became necessary to check these atrocities, to wage military action to defend our people. And when the AFP entered the fighting officially, began a series of offensives and then a military stalemate. They could not totally wipe us out, we cannot totally wipe them out either. Fortunately, the NPA launched tactical offensives in other areas which gave us time to rest and make new plans. That is why we seldom hear of tactical offensives by the MNLF, which has been wrongly interpreted as a military deterioration on the part of the MNLF. . . ."

"To claims that the MNLF is on the decline, I answer with the 76 day battle at barrio Karandangan, Lumba-Bagabao, Lanao del Sur, where the MNLF for more than two months defended and held out territory against the most determined military onslaught of two battalions of the Philippine army, who suffered heavy losses."

"We are social revolutionaries, and no genuine revolutionary will ever surrender. . . ." declared Narrah, who attributes "guerrilla tactics, familiarity of terrain, discipline, faith in Allah and support of the people" as the factors which contribute to the tactical victories of the MNLF in Lanao.

WE depend on the land for our life, but we have no stable livelihood, for all we work

hard for tilling and planting is easily lost when military operations are conducted, destroying our crops," said a former farmer from Maguindanao province, now unemployed in a Cotabato city slum. A common plight echoed through the wide countryside and mountains of Mindanao by countless victims of many a punitive military operation that spares neither possession nor life itself.

More poignant are the words of a Muslim peasant caught by the documentary *Our Roots are Still Alive* who declared "we are like fighting cocks in the cockpit, even if we do not want to fight we are forced to because our life is at stake. Our being Muslim has been made the scapegoat because we are different. The real reason is they want our land. We will never give it up. . . ."

Dotting the rich Mindanao landscape are huge tracts of land leased to transnational corporations, most of which gained through generous government leasing grants and persuasion (read: intimidation) of individual peasants. Del Monte Corporation has increased its holdings to 16,400 hectares, making it the largest pineapple plantation in the world. Dole, Del Monte, United Fruit and Sumitomo having a combined hectareage of 27,000 have cornered the banana export industry. Over five million hectares of timber concession, 13 percent controlled by four US corporations. B.F. Goodrich and Good-year control substantial tracts for its rubber plantations, and the list could go on and on. (*Southeast Asia Chronicle*, No. 82).

The scholar Aijaz Ahmad noted that in 1971 a Philippine Senate committee observed that the military participated extensively in the "perpetration of outright violence to gain possession of lands." The relation between land and conflict succinctly explained by Ahmad: "Sept. 21, 1972 helped add to the longevity of the regime; but in the process it also provoked a full-scale war. Prisoners as they are of their own racist conceptions, neither the settler elite nor the Marcos regime had expected that the Muslim, instead of submitting to terror, would in fact launch a national resistance. The war was thus the result of a miscalculation, the terror, which was designed as an instrument of eviction and pacification, of turning possessors of land into a lumpen mass of refugees, begot its own opposite: counter-terror, nationalism, a will to survive and an army of resistance."

The allure of power and profit has driven many a vested interest to a complex island now troubled with complex problems. In the end, only the will of the people, long torn asunder shall prove decisive. That people may live to etch their own destiny, in the solace of their own land. A sentiment reflected in the fragment:

*On this land we eke out a living,
raise our children and bury our
dead.
We, too, will die here, peacefully
or violently.
Our roots are here and they will
remain alive.*

PHILIPPINES

OPPOSITION DAILY CRITICIZES 'NEO-MODERATE' MOVEMENT

Quezon City ANG PAHAYAGANG MALAYA in English Sunday Supplement 10 Mar 85 pp 6, 7

[Article by Roy C. Iglesias: "Neo-Moderatism as Tactical Deceit"]

[Text]

In the early 70s, serious activists who took the moderate stand against the Establishment did so out of political naivete. To be sure, they were genuinely convinced that social change for the lasting benefit of the masses could be effected through the institutions of the State, and that simplism was understandable in those days because the oppressive and exploitative structures which radicalism sought to dismantle were made less visible by the democratic circus of elections, the checks and balances of Congress, a licentious press, and the Constitutional Convention. For anyone who was just beginning to perceive the contradictions in society, accepting the rationale of moderatism was then the most natural thing to do. In short, the moderate position served as a kindergarten stage of awareness in one's political development.

The pre-martial law moderates were sincere in their commitment to fight for meaningful change, and this was borne out in later years when they without hesitation subscribed to the broader, scientific perspective of the radicals upon realizing the futility of the pacifist view in the face of a System gone brazenly deceitful and excessively repressive.

It was instinctive for reformists to make the big leap leftward because "moderatism" was then a precarious

stand, a timid analysis of social reality. Standing on weak ground, moderatism proved helpless amidst the encroaching fascism. When the Constitution in whose sanctity the moderates rested their faith was finally undermined and subverted by the very people who were sworn to respect it, the arguments of reformism became untenable. Thus when martial law installed a dictatorship, the only way one could truly uphold the interests of the people was to join the antithetical forces that continued to enjoy mass support.

Under the same dictatorial regime today, there appears a new batch of moderates who may well be regarded as mutants of the historical struggle. It must be granted that a well-meaning number of them are mere greenhorns undergoing a political evolution that normally includes a brief period of enchantment with middle-of-the-road politics. But among them has emerged a new, dominant breed whose interest in moderatism is more than passing fancy.

These neo-moderates sharply differ from their pre-martial law predecessors in a number of ways. They are bold and purposive. They do not readily settle for reforms within the Government. They have tremendous financial resources to support their political objectives. They maintain friendly ties with US government officials and

American corporations. And they are anything but naive. They are undoubtedly eager to dismantle the Dictatorship, but their anti-fascist stand hardly translates into pro-people action. In fact, their moves have all the earmarks of a deliberate political maneuver to dissipate the struggle of the advancing mass movement.

Like their predecessors, they listen to the demands of the more militant sectors of the protest movement. But unlike their predecessors, they use their knowledge of the militant struggle to create a counterpoise — a so-called "alternative position" that undermines the political initiative of the masses.

Far from being a tentative outlook, neo-moderatism has in the course of recent events become an ossified orientation. Its advocates have casually been passing it off as a kind of new political consciousness — and this was evident in the May elections of 1984 when the neo-moderates headed by Jose Concepcion, interpreted the avalanche of opposition votes as indicative of the people's support of their stand and the political alternative laid out by the leader of the Citizens National Movement for Free Elections (Namfrel). They discounted the possibility that the people, still lacking the organized strength to topple by force the dictatorial regime, simply contented themselves with venting their wrath through the ballot. (The enemy of the enemy is a friend, all right, and he may also use your cudgel to clobber the common foe, but that does not mean he also is a member of the club.)

Since militant non-violence as a form of dissent is now being practised by the people's protest movement, the neo-moderates have made the conscious effort to distinguish themselves in the struggle by self-righteously advancing a pacifist line that so expands the meaning of non-violence as to distort it. This was most apparent in the indignation rally of October 7 following the ruthless dispersal by the military of the peaceful demonstration at the Welcome Rotunda on September 27. It may be recalled that even if the rallyists were prepared for the

consequences of the tinderbox situation, Jose Concepcion and his group arrogated upon themselves the role of protest leaders and begged the Dictator for a rally permit which had earlier been denied by the city government. Their reason for doing so was that they felt it was their responsibility to exhaust all means to avoid a confrontation that might lead to the eruption of violence.

By their example, militant non-violence meant not only the rejection of violence as an expression of protest, but the avoidance of the violence resorted to by the repressive Establishment. Undoubtedly, this type of activism is absurd and self-defeating because it brings demonstrations down to the level of child play. It has no parallel even in the tradition of Martin Luther King or Gandhi whose militant non-violence has as its objectives the politicalization of the people and the concientization of the enemy.

The defiant act of non-violence is directed against the opponent because, as King observed, it "exposes his moral defenses. It weakens his morale and at the same time... works on his conscience..." This, however, is not possible if the activist shuns the enemy and shouts out his grievances in a safe corner as though he had lost the moral capital to confront the oppressors and assert his legitimate demands. Militant non-violence provokes a response. To exercise it is not to lead innocent followers to the slaughterhouse, so to speak, because there are no innocent followers to begin with. Leaders and adherents face the enemies with the collective power of non-violence, fully conscious of the tyrant's capacity to unleash violence. But the protest is carried on, because the point is to assert the fact that the moral significance of the act negates the trivial illegality that the State imputes to it.

Further, it dramatizes the moral courage of the protesters and, if we have to follow the example of Gandhi, its ultimate effect is the moral development of the dissenters and of the oppressors who are made to see the savagery of their deeds in the broken limbs and bleeding bodies of their hapless victims.

Unfortunately, Jose Concepcion and associates did not see it this way.

Concerned with buffering the growing mass resistance, they introduced a sissified type of activism that nearly succeeded in obfuscating the logic of non-violence.

At present, the neo-moderates are getting organized in their efforts to derail the course of the people's struggle. The most patent of these recent efforts is their active involvement in the Convenor Group, where their small but influential presence has succeeded in giving the group the bad image of a clique exercising pre-emptive leadership. They initially propounded ideas and tactics that were responsible for the undemocratic character of the original "fast track system," and the Convenor Group would have lost its credibility had not its nationalist members taken the initiative to accommodate the cause-oriented groups and clarify the role of the electoral struggle in the overall context of the protest movement.

With a sense of urgency, the neo-moderates have flocked together in the National Unification Committee (NUC) of the United Democratic Organizations (Unido) to offer another course of action that steers clear of the militant alternative. In truth, their stubborn and exclusive devotion to parliamentary and electoral struggle is an attempt to distance themselves from the mass organizations. As in the October 7 rally of 1984, they are once again distinguishing themselves in the political arena by proclaiming themselves the peaceful opposition — an uncanny term that is supposed to set their method apart from (or more accurately, "above") the pressure politics of the militant nationalists.

At first glance, their single-minded adherence to electoral struggle is attractive and reasonable: it avoids bloodshed; it is democratic in that it is positioned against the anti-democratic posture of the government; and it is patriotic in the sense that it favors a process that prevents the disruption of national peace. Yet, a closer scrutiny reveals the speciousness of the

stand and the unpatriotic slant of its advocates.

Firstly, the argument that elections prevent bloodshed is only valid to the extent that it applies to the violence resulting from a people's offensive. But the same cannot be said in so far as the bloodlust of tyranny is concerned.

Secondly, under a dictatorship, suffrage is a constitutional fetter. To regard it as the only acceptable weapon against the enemy is not merely to sanctify the dictatorship with the illusion of democracy. It is also to accede to the bondage of an emasculating legalism. As we all know, elections are as much an opportunity for the tyrant to contain dissent as they are an occasion for the opposition to flex its political muscle. But since the tyrant's absolute control of all government institutions and instrumentalities tilts the balance of power in his favor, elections become a ruse. Indeed, history has taught us that suffrage, by itself, wields no real power unless exercised as a tactical maneuver in concert with the people's struggle.

The exclusivist electoral struggle of the neo-moderates in the NUC seems to ignore the possibility that the regime will once again subvert the Constitution to perpetuate another dictatorship in the event Marcos passes away. Perhaps the NUC position is anchored on the argument that such possibility is remote because the Americans won't allow it — in which case, it stands to reason that the NUC owes the validity of its existence to the prospect of American intervention in the post-Marcos era. Alas, this is hardly a case for patriotism!

Admittedly, the neo-moderates present a better alternative than the one offered by the Marcos Dictatorship. Their platform of government does include some of the demands of the people: the unconditional release of all political detainees; the dismantling of private monopolies; the restoration of our Constitutional rights. Should they rise to power, their anti-fascism could translate into a liberalism that might clear the stage for the transition to a

truly national democracy. However, the ascendancy of any group which merely reflects the will of the masses but denies them the lead carries the danger of inculcating among the masses a false sense of victory. Such a condition makes the country vulnerable to US imperialist maneuverings that could send us back to where we started.

At this point, there is no denying the fact that the neo-moderates are allies in the anti-fascist struggle of the people. Unfortunately, their half-hearted alliance with the masses has had the effect of making them unwitting allies of the tyrant.

The question now begs to be asked: why don't the neo-moderates stake their all on the masses in the manner of their predecessors?

Class interest is one reason. Whereas the pre-martial law moderates mostly belonged to the youth sector and the middle class whose interests were severely affected by the economic mismanagement of martial rule, today's moderates come from the landlord-comprador class who have lost some power to Marcos and his cronies but are still very much in control of some aspects of the national economy. They covet more power, or at least, the power they used to enjoy before martial law. Obviously, this makes it difficult for them to fully support a mass movement that seeks to democratize political and

economic power.

Fear is another reason for their aloofness from the masses. Though rarely acknowledged, this fear is shared even by those who are not compradors but are nonetheless neo-moderates in the sense that they toe the neo-pacifist line. An advertising executive openly admitted it: "We have to be actively involved in politics. Otherwise, we face the mob rule of the laborers and the peasants."

For centuries, we have been made to believe that the masses are an unthinking, bloodthirsty bunch of savages. This misconception has made some of us doubt the ability of the masses to govern themselves and regard the issues of life in the warm light of compassion. It has likewise been exploited by those who believe its perpetuation can tighten their grip on power.

Fortunately, the masses are proving the contrary. They are effectively conducting themselves in the parliament of the streets, propagating the vision of a more humane world, and giving history the stamp of their character. In truth, they are on top of the situation.

Verily, today's moderates join the march of events to give it an uneven cadence, but they will need more than savvy and guile to change its historic destination.

PHILIPPINES

VERITAS HITS 'DO-NOTHING,' 'KBL DOMINATED' ASSEMBLY

HK260801 Quezon City VERITAS in English 21 Apr 85 p 4

[Editorial: "What Else Is New?"]

[Text] So The Batasan Pambansa has resumed its sessions. So what else is new?

If, in the annals of the Philippine legislative process, there has been a parliamentary body that deserves the sobriquet of a do-nothing assembly, the current Batasan should be it. Unless, of course, it chooses to relinquish that dubious distinction to its immediate predecessor, the Interim Batasang Pambansa.

The figures are unmistakable. From 23 July last year until it declared a Holy Week recess a month ago, the Batasan passed only seven of the 5,349 bills introduced. It approved 18 of the 394 resolutions and it conducted a spate of investigations which resulted in--nothing.

To be sure, the ruling Kilusang Bagong Lipunan [KBL] would argue that the opposition has been obstructionistic and uncooperative, that it put up spirited fights against measures scheduled for debate. But this argument cannot hold water considering that there are only 59 oppositionists, or a measly one-third of the total membership. So what could such a puny group, no matter how determined it may have been, do against the overwhelming majority that confronts it?

The dismal, even shameful, record of the KBL-dominated Batasan can be explained no doubt by the realization among the members that theirs is basically an exercise in futility, that the sessions are a criminal waste of time and money. And why? Because of the existence of Amendment 6, that Machiavellian creation which enables the President to enact legislation even while the Batasan is in session.

No wonder the KBL MPs are apathetic and lackadaisical in their work. Why, indeed, should they show any enthusiasm for the legislative process when the man in Malacanang, by a single stroke of his almighty pen, can enact decrees with the force of law?

The newspapers have made much of the fact that the Batasan hopes to pass a new Election Code to govern future electoral exercises. Even if, through some miracle, the Batasan were to enact a code that would insure clean, honest and free elections, there is nothing that can stop the President from vetoing the measure and then enacting a code of his own guaranteed to keep the KBL in power in perpetuity.

It is entirely possible that, in the KBL ranks, there are people who are feeling terribly frustrated, who chafe at the perceived uselessness of the Batasan. It is possible also that these members, raised as they were in the democratic tradition, want Amendment 6 abolished.

If, as they repeatedly claim, they are for freedom and democracy, what is stopping them from making common cause with the oppositionists in asking for the appeal of Amendment 6? Only one thing: party loyalty.

Who said patriotism is the last refuge of the scoundrel? If he were around today, he could very well say that party loyalty has become a synonym for cowardice.

CSO: 4200/872

PHILIPPINES

VIOLENCE IN ZAMBOANGA DEL NORTE EMPTIES TOWNS

HK260805 Quezon City VERITAS in English 21 Apr 85 p 12

[From PHILIPPINE NEWS AND FEATURES]

[Text] Zamboanga del Norte, a province in the southwestern tip of the Philippines archipelago, is a place tormented by violence.

Hundreds of families have been forced to abandon their farms and homes in the remote areas due to the widespread killings and house burnings allegedly being perpetuated by soldiers or para-military units in the province.

Considered as the most critical area is the Salug Valley whose mountain range connects the province to Zamboanga del Norte to the north, Misamis Occidental to the northeast, and Lanao del Norte to the southeast. According to sources, the military, with the aid of religious groups, are driving the people away from the place because it is believed that the mountain range serves as a supply and communication line for New People's Army (NPA) rebels.

As a result, the people have no other choice but to seek refuge in "relatively safe" areas, like town poblacions and vacant lots along the highways, they said.

Most of the abandoned communities have been declared "no man's land" by the military authorities, the same sources revealed, thus making it very risky for the families to return to their homes. Several incidents of house burnings and murders were reportedly committed by military and paramilitary units to frighten the people and make sure they will not return to their communities. People moving towards barrios (villages) near the abandoned areas are thoroughly checked and are sometimes detained when they carry foodstuffs in large quantities. According to the people, the military would usually accuse them of bringing food to the NPA guerrillas.

The displaced families, on the other hand, stay with relatives and friends. Others have managed to rent lots and build small houses. The more unfortunate ones, however, can only afford to stay in public places like village halls, chapels and old houses.

The town of Midsalip has the most number of displaced families, about 438 as of February this year. Since October 1984, 43 persons have been killed and 12

houses burned. The people believe that these acts were committed by the Integrated Civilian Home Defense Force (ICHDF) and religious fanatic groups operating in the area.

About 300 families now in the town of Tukuran have also abandoned their farms in the barrios of SUGOD, Tudela and Baklay.

The towns of Josefina, Molave and Dinas also have a total of 300 displaced families. Some of the families who attempted to return to barrio Lapidian were arrested and detained overnight. They were later released after being told not to return to their farms again.

CSO: 4200/872

PHILIPPINES

PAPER SUPPORTS ALTERNATE SOLUTIONS TO INSURGENCY

AFP Problems Cited

Manila BULLETIN TODAY in English 22 Mar 85 p 6

[Editorial: "AFP's Problem"]

[Text]

TODAY, as the Armed Forces marks its 88th anniversary, it admits certain important facts, among which are: a) the insurgency cannot be eliminated by guns and bullets alone; b) that in combating insurgency, the AFP must win the hearts and minds of the population; and c) that the AFP has an "image problem."

If we are to arrange the problems of the AFP according to their importance, the image problem ranks very high in the hierarchy, principally because it affects the attitude of the whole nation toward its Armed Forces.

Realizing the importance of the problem, the

top command has lately been adopting drastic measures to improve the behavior of soldiers as they go about the task of protecting the state.

That is to do justice to the great majority of officers and men who risk their lives every day — people who could be demoralized by the condoned behavior of a few.

The inescapable fact is the citizens cannot do without the Armed Forces and must support its honest endeavors. In being aware of the problem and in adopting the measures to solve it, the top command manifests the desire not to betray the confidence of the people in their armed forces.

Nature of Insurgency Viewed

Manila BULLETIN TODAY in English 22 Mar 85 p 6

[Commentary by Apolonio Batalla: "Insurgency Situations"]

[Text]

INSURGENTS can do their thing in the remote areas where they have established escape routes because those places have a low military presence.

If the town proper is protected by only a few policemen and militia, these can easily be overcome by surprise and numbers. On the other hand, if the place is guarded by even as small a military force as a platoon, the rebels will think twice before attacking.

The sizes of the contending forces, the tactics, and the situation, for that matter, change as the distance between a contested place and Manila shortens.

And this is because the government tends to be more protective in nearby provinces since Manila is the seat of government.

As one nears Manila, the insurgency tends more and more to rely on smaller bands that are natives of the place. They tend to be more wily because they are confronted by a superior force which is available at a moment's notice.

If we are to base judgment on news reports, this is the situation in Bataan, which is near Manila. The residents there are complaining of the militarization of the province, and in the recent past it was reported that the bulk of the military force was made up of marines, who are reputedly tougher than soldiers from the other branches, except perhaps the Scout Rangers.

In a situation where the insurgents have grown in number, are deployed among the civilian population, and the soldiers are assigned the task of ferreting them out, many civilians are bound to be caught in the cross-fire, which means, among other things, that they will be arrested and detained on suspicion of being rebels.

Two things stand out in bold relief — the soldiers are fighting a

largely masked foe and innocent civilians are paying the price of militarization.

In such situations, the solution to the insurgency problem should not be left to the military alone.

Since the problem is multifaceted, it should be studied jointly by local officials, the military, and national government authorities. The aim would be to bring down the social costs of a high military presence while disposing of the insurgency problem.

Pondering the Bataan situation leads us to the essential conditions of the problem at the national level. One condition is that the faith of the population in the government must be maintained, and under this heading falls the need to minimize military abuses and the need to minimize graft and corruption.

Another condition is to strengthen the Armed Forces, and under this rubric falls the need to maintain the morale of the officers and men.

Guerrilla warfare rises or falls depending on the attention given to details. If, for example, an ambush is contemplated, there must be precise knowledge of the number of the enemy, the absence of supporting units, and the escape route.

When a truckload of soldiers is ambushed, it simply means that the soldiers did not pay attention to details.

If the number of insurgents has increased in a province, such as Bataan, it means the government has not studied the details of fighting the enemy. A guerrilla force deployed among the civilian population cannot be fought blindly. A painstaking investigation must be made about the identities of the rebels. Raiding households on the skimpiest evidence is bound to yield negative results.

The present crop of rebels is different from the Huks of old in the sense that it seems to be brainier.

But it has been many years and in the meantime dissidents have been taking advantage of the knowledge explosion. In any case, all kinds of conflicts people put a premium on brains in order to win.

Studying the situations in the different provinces may show where the military have been using enough brains and where they have not.

CSO: 4200/885

PHILIPPINES

MEDIA AFFAIRS ARTICLES HIGHLIGHT MRS MARCOS' DIPLOMATIC CONTACTS

Manila BULLETIN TODAY in English 22-25 Mar 85

[22 Mar 85 pp 1, 14]

[Article by Veronica T. Velosoyp, Office of Media Affairs: Part 1 "FL's Diplomatic Coup in Moscow Noted"]

[Text]

Now in her 16th year as the President's surrogate to the world, the First Lady, as diplomat, has attained an international stature no one else in the Philippines has achieved.

Last week's mission to Moscow was another diplomatic coup for Mrs. Marcos who started her globe-trotting, trouble-shooting career in 1969. Among the more than 150 foreign delegations to the funeral of President Chernenko, she was one of the first to hold 45-minute talks with the new Soviet boss, Mikhail Gorbachev.

It was also through her that the Philippines embarked on a series of aggressive geopolitical moves — reopening ties with China in 1975, establishing diplomatic relations with Russia in 1976, and signing the Tripoli Agreement also in 1976, among others.

She is the only Filipino envoy to whom closed doors are opened where-

the world for the President and the Filipino people.

Considering all her triumphs in the intriguing, giddy world of international politics, it is not surprising that some people are suggesting that she drop the Ministry of Human Settlements (MHS) and take over the Ministry of Foreign Affairs (MFA).

"After all, the foreign minister should have the full trust of the President since he or she should be able to interpret our government policies in all aspects, read the President's mind and tell the world what they are," said an MFA official who refused to be named for "diplomatic reasons."

Although Mrs. Marcos is not a head of state, she received the courtesy and respect due one — and more. It was obviously Russian leadership's way of recognizing the Philippines' geopolitical importance.

Consider the following:

- Arriving a few hours before the funeral

rites March 13, Mrs. Marcos was met by an old friend at the airport, Moscow Mayor Vladimir Promyslov, also a Politburo leader. She stayed at the prestigious Moscow Hotel together with a number of Western, European, and African heads of state.

- The Philippine delegation was given priority scheduling in the wreath-laying (white cattleyas with red-white-and-blue ribbon inscribed with the name of the President, the First Lady and the Filipino people) at the funeral chamber.

- Frontline position was given to the First Lady alongside Federal German Chancellor Helmut Kohl and US Vice President George Bush during the two-hour stately and elegant ceremony at the Red

Square.

Everyone then took the one-kilometer walk to the Kremlin reception. When the chief of protocol saw Mrs. Marcos at the end of a long, long queue, he walked towards her, held her elbow, and whisked her to the front, placing her immediately after British Premier Margaret Thatcher.

- The initial meeting between Mrs. Marcos and Gorbachev was "warm and friendly." In fact, Gorbachev shook and gripped her hands 30 seconds longer than Mrs. Thatcher's, according to *The Guardian*, one of London's leading dailies.

At the reception, Mrs. Marcos also met "old friends, all members of the ruling Politburo." She exchanged affectionate brief dialogues

with Premier Tikhonov, Foreign Minister Gromyko, and Vice Premier Kuznetsov.

Most of all, the early audience given by Gorbachev to the First Lady underscores the important status the Philippines enjoys in overall Soviet diplomatic and strategic concerns.

He pointed out that in countries like the US, England, and China, the meetings of their delegates with Gorbachev all hit the headlines. Example of the US headline: "Bush invites Gorbachev to US" and the UK headline: "Thatcher explains Reagan's Star Wars."

He added that world leaders are now surely analyzing the importance Gorbachev and the Soviet leaders gave the Philippines once more.

[23 Mar 85 pp 1, 16]

[Article by Veronica T. Velosoyap, Office of Media Affairs: Part II, "Gorbachev Accepts FL's Invitation"]

[Text]

Philippine-Russian relations will reach its peak when the new Kremlin boss, Mikhail Gorbachev, honors his promise to visit the country soon, thereby becoming the first Soviet leader to do so.

"It will be my honor," replied the 54-year-old Gorbachev, Kremlin's youngest chief, to the First Lady's invitation issued on behalf of the President.

Acting Foreign Minister Pacifico Castro, who accompanied Mrs. Marcos to her latest Moscow mission, said Gorbachev "accepted the invitation immediately and did not follow the standard formula."

The standard formula in diplomatic jargon is to reply: "We accept in

principle and the dates of the visit will follow through the usual diplomatic channels."

Castro noted: "It just shows how warm the new leaders are to the First Lady and the Philippines -- a friendship started by the First Lady in 1972."

Gorbachev also accepted the invitation of US Vice President George Bush to visit the US, prompting a local political armchair analyst to remark: "Both China's Premier Li Xian Nian and Pope John Paul visited the Philippines first before the US. These are diplomatic tidbits considered by international political watchers. Will Russia do the same?"

Castro described the 45-minute talks between Mrs. Marcos and Gorbachev as "im-

mediately reaching levels of understanding since both of them subscribe to the same principle — man's development."

Doing her homework in the plane bound for Moscow, Mrs. Marcos smiled when she read Gorbachev's March 11 speech which says his "social policy in the name of man for the benefit of man."

Thus, Mrs. Marcos and Gorbachev effortlessly struck the same chord — man — who, she said, is the reason for the President's creation of the Metro Manila Commission (MMC) and the Ministry of Human Settlements (MHS).

She also informed Gorbachev that the theme of her speeches before the United Nations world body — the new international human order and the international code of ethics — also focused on man.

The instant rapport resulted in a friendly exchange of views on bilateral, regional, and international issues showing the close identity of

the positions of both countries in disarmament, detente, and the development of mutually beneficial cooperation in all fields — political, economic, scientific, and cultural.

Both also reaffirmed their countries' commitment to strengthen existing relations and expressed satisfaction on the growing relations based on equality and mutual cooperation.

Mrs. Marcos deliberated on several issues, the results of which are "only for the President's ears" and all of which are "steps to further promote existing economic, trade, cultural and political ties between our countries."

The Soviet leaders listened intently to the First Lady's account of how the President survived his sickness and how the country is still getting back to its feet after two years of problems.

Gorbachev immediately expressed concern and confidence on the President's and the Filipino people's

ability to weather all crises in due time.

Soviet Foreign Minister Andrei Gromyko, who has held the same position for 22 years and considered the dean of foreign ministers, praised Mrs. Marcos for delivering a "well-structured opening statement putting practically all regional and global issues affecting both countries in 20 minutes."

Gorbachev and Gromyko broke into smiles when Mrs. Marcos related instances of the Filipino's resiliency and ingenuity in turning "problems into opportunities."

Interviewed after her historic meeting with Gorbachev, Mrs. Marcos described him as a "young, courageous and confident leader strong in his commitment to peace and progress and his concept of 'social policy in the name of man for the benefit of man'."

In later talks, Mrs. Marcos also said Gorbachev offers a "new light of hope for small

and developing countries (who are working against nuclear arms) for he comes across as a man of conviction and commitment... a leader of a superpower at that."

She was referring to his commitment to the "termination of the arms race, freeze of nuclear arsenals, end to further deployment of missiles, and non-deployment of ever new nuclear systems" embodied in his first public address March 11.

A law graduate of the Moscow State University, Gorbachev took office in Moscow from the provinces in 1978. His appointment marks the first step in a transition of power from the Kremlin's "old guards" to the new and young generation of leaders.

The Western press considers him "a highly intelligent man with an open mind who displays charm and ease rare among Russian leaders... humorous and outgoing... charming in contrast with the usual sombre style of Moscow"

[24 Mar 85 pp 1, 12]

[Article by Veronica T. Velosoyap, Office of Media Affairs: Part III, "FL Visit Enhances RP-Soviet Relations"]

[Text]

The First Lady's latest mission to Moscow, her sixth since 1972, spelled success from the start.

First, there was the President seeing her off at the airport, his first public appearance outside of Malacañang in several months. The President waited at the airport lounge for more than an hour, standing most of the time, while Mrs. Marcos was on board the plane since the passports were still being processed.

Second, there was the unexpected royal welcome at the Dhahran International Airport in spite of the lateness of the plane's arrival. A royal group of welcomers wearing identical beige-colored flowing *djellabahs* waited by the planeside from 11 p.m. until 1 a.m. A royal carpet lined the way to the royal pavilion of the airport where a buffet cooked by Filipino chefs was laid out in silver.

Philippine Ambassa-

dor to Saudi Arabia Mauryag Tamano said the royal family ordered the top officials of Saudi's eastern province to give full honors to the First Lady.

The Saudis' hospitality manifests the close and warm ties of friendship between Saudi Arabia and the Philippines which started diplomatic relations only in 1982 and the high esteem and respect the Saudi royal family has for the Philippines' First Lady.

Third, the frontline status given to the First Lady in the Red Square and the reception at the Tsarist St. George's Hall before dozens of leaders from the East, West, and non-aligned world publicly shows the importance the Soviet Union attaches to its relations with the Philippines.

Fourth, the granting of an audience by Mikhail Gorbachev to Mrs. Marcos on his first day of office after the funeral rites projects to the international community the high regard the "other nuclear superpower" gives to the Philippine leadership.

Fifth, which is important to national security, Mrs. Marcos conveyed the President's appreciation for the Soviet's strict adherence to the principle of non-

intervention in internal affairs, a stand it has maintained since the exchange of diplomatic relations in 1976, which Gorbachev reaffirmed.

Sixth, during the 45-minute bilateral conversation, the Soviet leader made it clear that "he would enhance the role and influence of socialism in world affairs but with reference specifically to members of the socialist bloc."

Acting Foreign Minister Pacifico Castro, who accompanied Mrs. Marcos at the Kremlin talks, said: "This would rule out any possibility of the Soviet Union's overt or covert support to parties or factions opposing President Marcos."

Seventh, the First Lady's presence in the Moscow funeral belied the Western media's morbid reports on the President's health and the country's wealth. Her one-on-one candid meetings gave the Philippines first-hand opportunity to tell the people who shape the world the real score.

Castro said: "On the basis of the random and spontaneous meetings of the First Lady with the large congregation of world leaders in Moscow, it may be said without exaggeration, that the Philippines is a re-

spected member of the family of nations."

From a diverse group of leaders, the President, through the First Lady, received unsolicited comments indicative of fraternal concern and support for the Philippines.

Indeed, it is also through informal meetings, just like in the business world, where fences are mended and deals made. Sad as the Moscow setting may be, it was the backdrop for China and Russia to get together again. For the funeral of President Leonid Brezhnev, China sent Vice Premier Wan Li, the highest-ranking official to visit Soviet Russia since they cut off ties some 25 years ago. This time, China sent another top official, Vice Premier Li Ping.

Even East-West German relations took a step forward when Chancellor Kohl and the East German leader Herr Honecker met for more than two hours following their first encounter 13 months ago at the funeral of another Soviet president Yuri Andropov.

The sending of the three-man delegation (Mrs. Marcos, Castro, and Ambassador Benjamin Romualdez) surely enhanced the ties of friendship between Manila and Moscow.

[25 Mar 85 pp 1, 16]

[Article by Veronica T. Velosoyap, Office of Media Affairs: Conclusion "FL Has Composed Love Song for FM"]

[Text]

When the First Lady, Mrs. Imelda R. Marcos, left for Moscow last March 12, she carried with her three precious lucky charms — going-away presents from the President.

All three are autographed photographs of

the President who, after 30 years of marriage, and in spite of the burden of his office, still writes the First Lady quite frequently mushy, sweet, sticky notes, poems and letters.

And when the First

Lady comes home after her eye check-up in Boston, the President is in for a surprise, too! She is definitely not bringing home only the reports of the success of the Moscow mission and her other tasks in the US.

Inspired, Mrs. Marcos spent the nine-hour trip from Manila to Dhahran composing the first draft of a love song complete with lyrics and music titled "Forever" and dedicated to the President.

During periods of lull in her 36-hour stay in Moscow, Mrs. Marcos would continuously hum the tunes of the love song, perfecting every note and word as her homecoming gift to the President.

Ah! The First Love team will celebrate their 31st anniversary on May 1st and they're still acting like a pair of starry-eyed teenage sweethearts. Another Marcos formula for success?

Another interesting sidelight to the Moscow mission happened during the two-hour stop-over in Dhahran, eastern part of Saudi Arabia. After all the royal greetings and the royal food at the royal pavilion, the welcomers asked Mrs. Marcos to visit the royal suite reserved for her at the nearby Dhahran International Airport Hotel.

When she finally was going to do so, the embarrassed Saudi officials instead asked her to rest at the pavilion's ladies lounge. Why? The hotel owned by the oil-rich country had a brownout!

Upon her arrival in

Moscow, Mrs. Marcos was not only met at the airport by Moscow Mayor Vladimir Promyslov and other ranking foreign ministry officials but also by a Filipino scholar dear to her, Rowena Arrieta.

Winnie, who is in her sixth year in Moscow, will graduate in May this year from the Moscow Conservatory of Music and will be the first Filipino to do so. Fluent in Russian, Winnie at 19 placed fifth in the 1982 Tchaikovsky piano competition. President of the student body of the Moscow Conservatory of Music, she has been reaping academic honors, too.

Mrs. Marcos has a book filled with autographs of people she met starting when Ferdinand Marcos assumed the presidency in 1965. A historical record in itself, this she carried to Moscow and asked Kremlin's new boss, Mikhail Gorbachev, to affix his signature. He signed right on the page where Chairman Mao did 11 years ago.

Among the dozens of world leaders at the funeral of President Chernenko, British Premier Margaret Thatcher and Mrs. Marcos were the only women.

At the snow-covered Red Square where world leaders stood for two hours in freezing below 10-degree weather, and at the Kremlin reception where they exchanged greetings below the chandeliers of the Tsarist St. George's Hall, Mrs. Marcos was sought out by a number of heads of state and foreign envoys and ministers.

Some of them are:

1. Pakistan President Zia Ul Haq who made an effort to reach the First Lady at the Red Square and conveyed his best wishes to the President and the Filipino people.

2. Canadian Premier Brian Mulroney talked with the First Lady during the one-kilometer walk to the reception and took souvenir photos. He proudly told the First Lady of the "efficiency of his 11 Filipino staff" and that the Filipino community in Canada is exemplary.

3. French President Francois Mitterrand recalled his partnership with President Marcos in the Cancun summit.

4. Indian Premier Rajiv Gandhi enthusiastically exchanged greetings with Mrs. Marcos twice. He repeated his invitation for Mrs. Marcos to visit India and expressed his best wishes to the President and the Filipino people.

5. Moroccan Premier Lamrani underscored the close and important ties of friendship between the two countries and promised to visit the Philippines very soon.

6. Austrian President Krischlager likewise conveyed his best wishes to the President and the Filipino people and stressed the importance of strengthening ties with the Philippines.

7. British Premier Margaret Thatcher and Mrs. Marcos conversed twice, and Mrs. Thatcher repeatedly inquired about the President and Member of Parliament Inee Marcos-Manotoc.

8. Federal German Republic Chancellor Helmut Kohl, after being assured of the President's health and the country's political stability and economic recovery, sincerely wished the Philippines well.

9. US Vice President George Bush and Secretary of State George Schultz individually and repeatedly expressed support for the Philippines and their sincere best wishes for the President. The television camera caught Mrs. Marcos and Bush at the Red Square constantly whispering to each other.

10. Spanish Premier Felipe Gonzales cordially conveyed his best wishes to the President and the Filipino people.

11. United Nations Secretary General Javier Perez de Cuellar, aside from wishing President Marcos and the Philippines well, expressed profound regret for failure to visit the Philippines during his recent Southeast Asian tour.

12. Palestine Liberation Organization (PLO) chief Yasser Arafat also sought the First Lady at Red Square for enthusiastic greetings and best wishes for President Marcos and the Filipino people.

13. Swedish Prince Bertil also imparted his best wishes to the President and the Filipino people.

14. Foreign ministers and envoys from the Asean and other countries crowded to approach the First Lady to wish her, the President and the Filipino people well.

PHILIPPINES

REVIEW OF NATIONAL ECONOMIC RECOVERY PLAN

HK010720 Manila BULLETIN TODAY in English 22-29 Apr 85

[22 Apr 85 pp 1, 17]

[Article by the Philippine National Economic and Development Authority--Part 1]

[Text] The economic recovery program initiated by President Marcos is a comprehensive program designed to root out the fundamental causes of the prevailing economic crisis.

The program seeks to help us ride out the economic crisis. It is designed to normalize economic growth, achieve financial stability, and promote the human development goals of the government's development plan. It aims to re-establish a sound financial climate, restore internal stability, minimize inflation, improve economic efficiency, and strengthen the base for a sustainable and lasting growth.

There are five components of the economic recovery program. These are: 1) loan restructuring; 2) economic stabilization; 3) refocusing of economic priorities; 4) structural adjustments; and 5) sustenance of social gains.

The loan restructuring program aims to secure easier terms for the repayment of our external debts. It seeks to extend the repayment period of maturing obligations and to renegotiate loan interest rates. It will allow us more time to improve our payment capacity through higher exports and, at the same time, provide us with flexibility to allocate limited foreign exchange for critical imports such as oil and raw materials inputs. The program is also designed to provide fresh financing for the import requirements of domestic industries. It will enable the country to restore its international reserves to a manageable level and improve its credit-worthiness to international creditors.

Since October 1983, the Philippine Government has taken steps to lay the groundwork for the loan restructuring program. These include exchange rate adjustments, foreign exchange allocation to priority imports like oil, and reduction of the budgetary deficit through fiscal restraint. These measures are basically aimed at improving the country's external payments position through more export earnings and a workable and realistic foreign exchange market.

The loan restructuring program requires a total financial package of \$14.2 billion. Included in this package are:

1. A 615 million SDR (A special drawing right is equivalent to \$1.02501 in 1984) standby facility from the International Monetary Fund (IMF). This facility will build up the country's reserve position and restore the confidence of international creditors in the Philippine economy.
2. The rescheduling of loans from both official and commercial sources, which will postpone the payment of interest and principal obligations on some maturing loans. This will free foreign exchange resources to finance critical imports and support development projects that will improve productivity, particularly export industries. With increased productivity, we will enhance our capability to pay our obligations.
3. The availment of about \$925 million new money from commercial sources, \$2.1 billion from official sources, and \$3 billion to provide fresh financing for critical import needs, particularly raw materials for the export sector, as well as for important development projects.

The most significant component of the loan restructuring program that has been accomplished so far is the approval by the IMF last 14 December of the Philippines' request for an SDR 615 million standby facility. The amount will be released on a quarterly basis, with the first tranche or slice of \$80 million having been drawn last 28 December. This amount was used to pay the bridge financing loan extended to the Philippines by the United States, Japan, and South Korea. Subsequent drawdowns will depend on the attainment of quarterly performance criteria outlined in the country's letter-of-intent to the IMF.

[23 Apr 85 pp 1, 13]

[Article by the Philippine National Economic and Development Authority--Part 2]

[Text] Agreement on the restructuring principles of maturing loans, from both commercial and official sources, has been reached. A total of \$5,862 million in principal payments due to commercial banks from 17 October 1983 to 31 December 1986, will be restructured or rolled over.

These consist of medium- and long-term loans from suppliers and commercial banks amounting to \$2,369 million, and non-trade short-term credits of about \$3.5 billion which are supposed to be paid in 1984 and 1985. All these loans will be restructured on a 10-year basis with varying interest rate terms.

The rescheduling of loans from official sources involves \$1,097 million in principal and interest payments which are due from 1 January 1985 to 30 June 1986. Maturities will be extended for a 10-year period with a five-year grace period. Bilateral negotiations based on agreed restructuring principles are expected to be concluded in a few months.

To complement the restructuring component, the financial package will also make available for 1984 and 1985 fresh financing in the form of trade facility of \$2,975 million, new money facility of \$925 million from commercial banks, and new money facility of \$2,066 million from official sources.

The new money facility of \$925 million from commercial banks will be drawn on a quarterly basis. Of the first drawdown amounting to \$300 million, \$250 million will be used to settle 60- to 90-day arrears on interest to keep all of the country's interest obligations current as of March 1985. The balance will be used to finance imported raw materials for industries and party to pay maturing obligations to raw materials suppliers and multilateral agencies.

The \$2,975-million trade facility will be entirely available for financing import requirements of industries and working capital needs of exporters. The master loan documents for the new money and trade facility from commercial banks are scheduled to be signed with the lenders soon.

To complement the commercial bank package, official sources were likewise requested to commit new loans amounting to approximately \$2.1 billion for 1984 and 1985. Since October 1983, the Philippine government has secured a sizeable commitment from bilateral and multilateral sources.

[24 Apr 85 pp 1, 10]

[Article by the Philippine National Economic and Development Authority--Part 3]

[Text] The stabilization program is designed to check the external payments imbalance, bring down the budgetary deficit, and lower the rate of inflation. Thus, it aims to bring about external and internal stability to ease the burden on the country's limited resources.

A series of significant policy measures has been formulated to attain balance in the economy. These include exchange rate adjustments, tax reforms, restrained liquidity expansion, and deregulation of administered prices.

The improvement in the balance-of-payment (BOP) position, mainly through higher exports and restrained imports, will ease our future debt servicing requirements and will assure our international creditors and investors of the stability of the Philippine economy. A key policy measure toward the attainment of BOP stability is the floating of the peso to make it reflect actual market conditions.

Meanwhile, the reduction of the public sector budgetary deficit is expected to be brought about through a combination of revenue-generating strategies and an austere expenditure program. Policies to accelerate resource mobilization, mainly from domestic taxes and non-bank borrowings, will reduce the pressure for expanding domestic credit to the national government. The austere spending of the government will rationalize allocation of expenditures, improve funds control, and ease pressure on imports.

Underlying the stabilization program is the effort to contain inflation. Since November 1984, inflation has been on the downtrend and is projected to level off to around 10 percent by December 1985. Reduced inflation will prevent the further erosion of real incomes, lessen income inequalities, sustain consumption needs, and promote economic expansion. This will have a strong impact on the people, especially on the lower income groups.

Significant strides have been made in the implementation of stabilization measures to provide an environment conducive to exports, the exchange rate was allowed to float freely and the exchange system simplified since October 1984. In addition, the commercial banking system was permitted to retain and disburse foreign exchange receipts, as well as to trade freely among themselves.

In March, 1984, an interim foreign exchange working capital fund was established to continue promoting exports. The fund (\$10 million) financed the importation of raw materials for exports and encouraged more companies to go into exports.

A series of revenue measures was implemented in 1984 to check the deterioration in the revenue effort (revenues in proportion to GNP) and further improve the country's tax system.

In particular, these measures involved selective increases in tax rates (for example, excise, income, fees, and charges), decreasing reliance on distortionary international trade taxes (reduction of additional import duty rates and lifting of the interim economic stabilization tax), tax reforms (simplification of structure, broadening of base, and improvement in administration), and a comprehensive review and reform of the tax system. Taxes had to be raised to provide basic public services to a rapidly growing population.

Likewise, the government adopted an austerity program that successfully contained the public sector deficit. A notable control measure was a letter of instructions No 1408 which limited the effectivity of cash disbursement ceilings (authority of agencies to withdraw cash from the treasury) to one quarter.

Aside from closely monitoring disbursements, it alerted agencies to the need to determine project readiness prior to actual implementation.

Other budgetary reforms included tighter programming of expenditures, review of the structure of budgetary commitments, procedural reforms to hasten project completion and payment of unliquidated obligations, and improvement of the analytical framework for budgeting.

To moderate the rate of inflation, measures to curb growth in monetary aggregates were implemented. Specific limits were set on net credits of the banking system to the national government and the public sector as a whole.

Open market sales of both Central Bank and the treasury debt instruments were pursued to mop up the excess liquidity. Bank reserve requirements

were further increased by one percentage point from 23 percent to 24 percent in April 1984.

Efforts to reduce the balance-of-payments deficit have been very successful. The deficit in the current account of the balance of payment was cut to \$1.1 billion in 1984 from \$2.7 billion in 1983. Exports increased by 7.7 percent in 1984, while imports dropped by 19.9 percent during the same period. This export growth has improved our ability to pay for our imports, thus, reducing the need for more borrowings.

An overall BOP surplus of \$258 million was reached in 1984 compared with a \$2.1 billion deficit in 1983. For 1985, monetary authorities project a \$1.4 billion BOP surplus.

On the other hand, the fiscal policy measures adopted in 1984 reduced the public sector deficit to 2 percent of GNP, lower than the program figure of 3.6 percent and the 1983 ratio of 4.3 percent.

National government and public corporate borrowings from the banking system were kept within the target ceilings primarily because of fiscal restraints. The decline in public sector deficit sharply reduced inflation and allowed more credit to be channelled to the private sector.

The inflation rate dropped to 50.8 percent in December, from a peak of 63.8 percent in October. The inflation rate was further reduced to 45.3 percent in January and 42.3 percent in February. By the end of 1985, the inflation rate is expected to decelerate further to around 10 percent. By 1987, inflation rate is expected to be kept to a single-digit level.

[25 Apr 85 pp 1, 10]

[Article by the Philippine National Economic and Development Authority--Part 4]

[Text] Refocusing of economic priorities simply means that care must be taken in the spending of scarce financial resources over the next few years. Instead of spreading these resources thinly over too many activities, stricter priorities should be set to ensure more accomplishments.

Thus, foreign exchange and budgetary outlays can be reduced to make the public expenditure program more efficient and responsive to the country's immediate needs, and increase employment opportunities, income and welfare, particularly in the rural sector.

Priorities have been refocused in two ways:

First, in the national government budget more emphasis will be given to operations and maintenance expenditures rather than to capital outlays, unlike in the past few years when emphasis was given to capital buildup.

Second, in the infrastructure and capital investment programs, increased support will be given to programs and projects that support balanced

agro-industrial development and economic activities oriented toward rural areas.

These include intensified food production programs, livelihood projects, and rural infrastructure.

Support is also provided for the completion of ongoing foreign-assisted projects (such as power and electrification) in order to maximize the benefits from these investments, quick-yielding projects that have high returns (such as communal irrigation systems, rural water supply, and farm-to-market feeder roads), and rehabilitation and upgrading of existing facilities to prolong their useful life. Also, one major industrial project has been deferred and five others have been cancelled in order to conserve foreign exchange.

The immediate result will be to bring down total expenditures and limit foreign exchange and budgetary deficits. With the limits on public sector spending, it is hoped that greater accountability of the public sector can be achieved through improved procedures for expenditure monitoring and control. At the same time, this will free more funds for use by the private sector.

Within the spending limits, the revised priorities will result in greater access of the people to the benefits of public projects. Not only more, but better quality public services will be provided.

In turn, more and better production and marketing facilities will mean that more people in rural areas can now be employed.

Food production can be expanded to attain self-sufficiency and generate surpluses for exports. Food stocks can be boosted to prevent price fluctuations in times of short supply. More food will become available to the growing population, leading to better nutrition and improved standards of living.

Provision of adequate water supply, schools, and health facilities will result in improved living conditions and increased productivity.

Small-scale, quick-gestation projects will also benefit the industrial activities. These rural enterprises will increase employment for rural workers and results in long-term stability in their incomes, as they gain other sources of livelihood.

The public investment program, likewise, takes into account the essential physical support for the attainment of the country's development as well as security objectives.

Vigorous implementation of the infrastructure program will be pursued particularly in the states where the poorest segments of the population live and where insurgency has reached critical proportions.

The emphasis on small-scale and quick-yielding projects with immediate and direct impact on the rural poor will improve rural productivity and increase rural incomes.

[26 Apr 85 p 1, 15]

[Article by the Philippine National Economic and Development Authority--Part 5]

[Text] The structural adjustment program places increased emphasis on improving resource allocation and efficiency and minimizing reliance on foreign borrowings.

Under the program are trade policy reforms whose primary objective is to increase the efficiency and international competitiveness of local industries.

These include: 1) The lowering of the cost of raw materials as well as intermediate and final goods, and 2) the evening out of the spread in tariff rates within and across industries.

The production of cheaper but quality goods will make local industries internationally competitive.

Greater uniformity in the structure of production will promote efficient import-substituting industries and those industries that have not been adequately supported in the past.

Low tariff rates will reduce the cost of raw materials and make industries operate more efficiently.

Simultaneously with tariff modification are the simplification of tax implementation and administration and the liberalization of import licensing procedures, the government expects to improve revenue collection from trade, foster greater competitiveness of domestic industry and encourage linkages with imports.

Moreover, an industrial restructuring and rehabilitation scheme was undertaken to help existing industries produce at lower costs and become more efficient and competitive. The industrial incentives and promotion system has been rationalized to encourage investments in areas where the country has a comparative advantage, thereby allowing market forces to guide industrial investments.

Reforms in the energy sector are designed to improve the internal revenue generating capacity of corporations in the sector. Adjustments in energy prices are allowed to fully reflect the cost of development and importation and to gradually eliminate subsidies. Adjustments in the prices of petroleum products are being undertaken simultaneously to correct imbalances in supply and demand.

The reforms in agriculture would enhance the sector's productive potential through the reexamination of existing policies, particularly on pricing and marketing.

Reforms would likewise strengthen the institutional set-up for formulating, coordinating, and implementing policies, programs, and projects, and efficiently mobilize and channel adequate financial resources to the sector.

In the last five to six years, the structural adjustment program has achieved the following:

In industry, a comprehensive reform of the investment incentives system was undertaken. The new system as contained in Batas Pambansa Blg. 391, the Investment Policy Act of 1983, introduced measures to reward industries on the basis of performance, and promoted the use of more labor in industries. Additional incentives are also being provided to firms which locate in less advanced regions.

Development programs for key industries were also undertaken to reduce production costs and to improve the efficiency and competitiveness of local industries.

The cement industry has completed its fuel conversion to coal. The textile industry is being modernized. Similar programs are also underway in the food processing, electronics, garments, metalworking, wood and wood-based, footwear, and leather goods industries.

A continuing tariff reform program is being implemented to establish a rational tariff structure in line with the industrial restructuring program. This measure aims to bring about more efficient allocation and utilization of resources.

To date, the average nominal tariff rate has been reduced to 28 percent from the average statutory rate of [words indistinct]. A gradual liberalization of all existing commodity importation was also undertaken. Import licensing procedures for 921 items have been liberalized from 1981 to 1983.

A number of measures have also been adopted to remove the protective element in the indirect tax system. These include the harmonization of the rates of taxes of locally produced and similarly imported commodities and the adoption of a uniform mark up (25 percent) on imported goods.

The gradual phaseout of government equity investments in the National Power Corp (NPC) over the period 1982-1985 likewise has been effected. With the gradual elimination of subsidy, power rates have been increased when necessary to reflect changes in the cost of power generation and fuel importation.

To eliminate distortions in the supply and demand for gasoline and diesel, the large price differential between these products was narrowed down. The ratio of diesel price to gasoline price has now gone up to 77 percent from 58 percent in 1981. Retail power rates in Metro Manila are also being restructured to gradually eliminate the subsidy to small residential and commercial customers.

[Article by the Philippine National Economic and Development Authority--Part 6]

[Text] In support of the balanced agro-industrial development strategy espoused in the plan, pricing reforms have been initiated with the upward adjustment of support and ceiling prices for rice and corn, and the removal of price controls on the remaining basic commodities except rice. A more efficient marketing system for feedgrains, coconut, and sugar has likewise been adopted.

Steps to improve the incentive structure and credit support to agriculture are being undertaken. Two special credit programs which were launched recently tapped non-institutional credit sources. Starting in March 1984, a floating rediscount and lending rate system was adopted for priority agricultural activities.

Institutional reforms to strengthen the step-up for formulating, coordinating, and implementing agricultural policies were likewise adopted. These include the strengthening of the Ministry of Agriculture into the Ministry of Agriculture and Food (MAF) which put the fisheries subsector under its control. The roles of the National Food and Agriculture Council (NFAC) and the National Food Authority (NFA) were also strengthened.

In-depth studies of the country's major agricultural industries, like sugar and coconut, as well as key farm inputs, such as credit, irrigation, and fertilizer, are at present being undertaken. The result of these studies will form bases for future policy actions.

The program to sustain social gains is a combination of fundamental and emergency measures in the areas of employment, health and nutrition, education, housing, social security, and other social services.

It aims to redress the negative impact of the stabilization program on the people and to help the most disadvantaged among them cope with the effects of the present economic crisis.

It seeks to bring about improved levels of physical and mental well-being through the expansion of the out-reach programs and the improvement in the quality of social services.

To sustain past social gains, specific developmental programs, projects, and activities are being pursued in the areas of health, nutrition, education, employment, wages, prices, housing, population, and other social services.

In health, the primary health care (PHC) program continues to provide affordable basic health services on the community level. Acupuncture has been introduced and the herbal medicine program is being strengthened to further reduce the costs of medical care.

Priority is also given to the control of communicable diseases, the prevention of malnutrition, particularly among pregnant women, lactating mothers,

infants, preschoolers and school children, and the promotion of environmental sanitation.

Quality and equity in elementary education are being maintained through the Program for Decentralized Educational Development (Proded). Proded provides for a new curriculum emphasizing the basics and values inculcation, teacher reorientation, textbook production, and school building construction.

Improvements initiated by Proded on the elementary level will be continued on the secondary level by the new and comprehensive secondary education program.

On the tertiary level, the development of the high-level professions continues to be focused on the need to provide leadership for the nation and to meet the requirements of the economy.

Meanwhile, nonformal training programs are being conducted by the National Manpower and Youth Council (NMYC), the Ministry of Labor and Employment (MOLE), the University of Life (UL), and the Bureau of Continuing Education (BCE) under the Ministry of Education, Culture, and Sports (MECS), among others, to provide skills to the out-of-school youth, the unemployed, and the underemployed. The study-now-pay-later plan has been expanded to increase and facilitate the entry of poor but talented students into college.

The decline in employment opportunities due to the general slowdown in industrial activity is being compensated by local and overseas job placements. Livelihood programs supported by the Kilusang Sariling Sikap [self-help movement] and the Kilusang Kabuhayan at Kaunlaran (KKK) [National Livelihood Program] continue to create new jobs.

An emergency unemployment assistance scheme has also been set up to enable laid-off workers to avail of loans of up to three months of their salary.

Minimum wages of agricultural and nonagricultural workers are being adjusted.

To make housing more affordable to a greater number of people, housing units are being provided under easier terms and with lower construction costs.

Pag-IBIG [expansion unknown] lending rates have been restructured to encourage lower loan values that will lead to the building of more low-cost housing units.

The open-housing program was suspended indefinitely to lessen the competition provided by the higher-income borrowers against lower income borrowers for the limited lending funds.

Kasipagan [industrious] loans are being made available to Pag-IBIG members to provide financial assistance to members hard-pressed by the economic crisis.

Various social services have been extended to needy and distressed families, deprived preschoolers, out-of-school youth and the disabled. These include self-employment assistance, practical skills development and job placement,

day care service, emergency assistance, family planning and counseling, population awareness and sex education, and other special social services.

[28 Apr 85 pp 1, 9]

[Article by the Philippine National Economic and Development Authority--Part 7]

[Text] In health, primary health care activities were initiated in 37,885 barangays or 90 percent of the country's 42,000 barangays in 1984.

Medical care insurance expanded to 24 million individuals and benefited 1.4-million persons. There are now 1,706 hospitals spread all over the country with a total of 84,142 beds.

There are around 7,991 barangay health stations and 1,991 rural health units serving the health needs of the rural population.

A package of programs was designed to solve the problem of malnutrition. The food assistance intervention scheme, in particular, benefited a total of six million children while the food production intervention scheme was able to reach a total of 10,000 families during the first three quarters of 1984.

Despite the difficult economic situation, enrollment on all levels increased from 13.5 million in school year 1983-84 to 14 million in school year 1984-85.

The NMYC [National Manpower and Youth Council] graduated 152,167 trainees from its various training programs. The Labor Ministry's apprenticeship and learnership program graduated 20,007 apprentices and learners out of which 19,141 or 96 percent were absorbed into employment.

A total of 994,900 enrollees completed the training programs conducted by the Bureau of Continuing Education of the Education Ministry while another 100,000 were serviced by the University of Life.

As of the third quarter of 1984, the open unemployment rate was registered at 6.2 percent while the under employment rate was at 36.2 percent. The retrenchment of workers specifically in the manufacturing sector was offset by the local placement of 29,950 workers and the overseas deployment of 425,081 workers last year. Livelihood programs benefited 294,498 persons through 23,289 projects.

Minimum wages were adjusted thrice in 1984. Effective daily minimum wages increased from P [peso] 42.07 to P57.08 for non-agricultural workers within Metro Manila, P40.99 to P56.00 for non-agricultural workers outside Metro Manila, and P34.32 to P46.67 and P25.90 to P35.67 for agricultural plantation and non-plantation workers, respectively. Government workers were granted a 10 percent across-the-board increase in basic salary effective January 1985.

Pag-IBIG [expansion unknown] leading rates were restructured to provide greater housing accessibility to lower-income families. Loans not exceeding P100,000 were charged nine percent interest per annum. Loans in excess of this amount

were charged 12 to 18 percent depending on the loan amount, not exceeding P300,000.

Meanwhile, Pag-IBIG collections reached P3.08 billion from 2.1-million members. Sites and services development and slum upgrading activities were continued to be undertaken for marginal income groups. A total of 4,783 lots were upgraded in marginal settlements while 9,156 plots were awarded for sites and services development.

Around 5.5 million needy and distressed families, deprived preschoolers, out-of-school youths, and disabled persons benefited from various social services. Social security was provided to a total of 11.1 million workers. Benefit payments amounted to P2.4 billion which consisted of social insurance, medicare, retirement benefits and loan assistance.

Population growth rate was estimated to have declined to 2.49 percent in 1984 as a result of the intensified family planning program and the integration of population in various development activities. The age dependency ratio was also estimated to have declined from 80 dependents per 100 population aged 15-64 in 1983 to 79 in 1984.

[29 Apr 85 pp 1, 9]

[Article by the Philippine National Economic and Development Authority; Conclusion--passages within slantlines published in boldface]

[Text] By 1987, measures taken under the adjustment program are expected to have yielded the following results:

/An improved balance of payment position/--Because of the combined exchange rate and trade policies, exports will be encouraged and nonessential imports will be discouraged, leading to a reduction to 1.1 percent of the current account deficit to GNP ratio in 1987 as against 5.2 percent in 1984. At the same time, the loan restructuring package will defer some of the country's foreign exchange payments. Measures to selectively encourage foreign investments will also help to generate more foreign exchange inflows. These will ensure a sufficient supply of foreign exchange to fund essential development programs, build up international reserves, and improve the Philippines' creditworthiness in the international financial community.

/A stronger and more efficient financial system/--The various financial reforms introduced during the plan period, including the deregulation of interest rates, will encourage more savings. This means there will be more resources to fund new investments, especially for the private sector. In turn, market-oriented interest rates and better financial intermediation will increase public access to the country's financial resources and will help to channel them more efficiently to priority sectors. The result will be more funds available and better services offered by financial institutions.

/A more developed and diversified agricultural sector/--The policy reforms, particularly the ongoing financial reforms, the deregulation of prices in key agricultural sectors, and the realignment of fiscal incentives will improve farm productivity and generally make agricultural ventures more profitable than in the past. This will not only expand agricultural production and diversification of agri-based investments, but will also increase employment and welfare of the rural population, two-thirds of whom derive their income primarily from agriculture. The program to modernize agriculture will likewise increase the sector's contribution to foreign exchange saving and earnings. It will enable the country to attain self-sufficiency in all staples or basic food items, while expanding agribased exports. This is expected to result in an average annual growth of about 4 percent for agriculture from 1985-87.

/A more competitive industrial sector/--The tariff reform and structural adjustment program will greatly benefit the industrial sector, which is targeted to grow, on the average, by about 2.5 percent annually from 1985-87 after a decline in 1984. The realignment of tariffs will result in improved competitiveness of domestic industries. It will likewise encourage establishment of intermediate and producer goods industries. Policies favoring agribased industries will ensure proper utilization of the country's inherent resources. The exchange rate policy and the planned reductions in import controls will encourage rapid export development and minimize inefficiencies in the manufacturing sector, leading to increased exports and more efficient industries.

/A more responsive public sector/--One of the major thrusts of the economic recovery program is to improve the monitoring and control of public corporations. As a result, the financial policies, operation, planning, control, and accountability of public corporations will be strengthened. This will lead to better use of public funds, less government subsidies, and improved viability of public sector entities. Public investments will remain at about six percent of GNP by the end of the planned period, but an increasing portion of these investments will be financed from self-generated funds of these public corporations. In turn, the reduction of public sector exposure in some industries will leave more room for private sector participation and access to investment resources.

/Sustained development and greater equity/--The benefits to the different production sectors will add up to a 2.8 percent average real GNP growth for the period 1985-87, as against a 5.5 percent decline in 1984. More importantly, the economic recovery program is designed to provide a much stronger, more efficient, and more diversified base for sustaining growth beyond the adjustment period, since many of the outcomes of policy decisions taken up to 1987 will determine the pace and pattern of growth in the future. The strengthening of key economic sectors will result not only in a larger economic pie, but also in a more equitable distribution of this pie.

CSO: 4200/889

PHILIPPINES

'CITIZENS' ALLEGE U.S. PROPAGANDA ATTEMPT TO DIVIDE AFP

Manila BULLETIN TODAY in English 25 Mar 85 p 22

[Article by Jess Espinoza: "Intervention in RP Affairs is Deplored"]

[Text]

A group of concerned citizens expressed grave concern yesterday over the apparent effort of American propagandists to create a cleavage between the Philippine military officers who have been working together against the growing threats to the country's national security.

The group said that if this effort succeeds, it will affect very much the government's campaign against insurgency and the country's image as a "show window of democracy in Asia."

"This is tantamount to direct intervention in the Philippines' internal affairs by a foreign power," the group said. "Every Filipino who loves his country should resist this kind of intervention."

The group cited as an example of this attempt to create a cleavage in the military ranks a story in a Manila daily quoting US

embassy officials as saying that an increase in American military aid to the Philippines will not be forthcoming unless President Marcos heeds the "advice" to retain Lt. Gen. Fidel V. Ramos as AFP chief of staff.

They said every right thinking Filipino will not like the idea of having an AFP chief of staff virtually chosen by the American propagandists.

"What the Filipinos want is a chief of staff chosen based on his accomplishments and records in the military and in defense of democracy and freedom," the group said. "The American propagandists should be told that the Filipinos know better and that we can manage our country better without their intervention."

The group said if the American propagandists want General Ramos to become a permanent AFP chief of staff, they better stop intervening in purely Philippine affairs because President Marcos knows what he is doing.

"If these American propagandists think that they are doing General Ramos a favor by projecting the

bright aspects of his career, they are sorely mistaken," the group said. "The Filipinos are the best judge when it comes to the performance of the Philippine Constabulary under the command of General Ramos."

They said majority of the Filipinos know what happened to Vietnam when American propagandists started intervening in the internal affairs of that country. It was noted that the commanding general who presided over the American defeat in Vietnam was no less than the valedictorian of his class and holder of one of the most brilliant scholastic records in the United States Military Academy at West Point.

These Americans should know that majority of Philippine military officers did not train in West Point but they have excelled in fighting those who wanted to overthrow the government through violent means.

"We don't like our country to become another Vietnam," the group stressed. "The Filipinos do not attach more importance to where their AFP chief of staff got his training than on his capability to establish rapport with the people and to solve the insurgency problem."

PHILIPPINES

INDUSTRIALIST ONGPIN, BENGUET ACCUSED OF TAX SCHEME

Manila PHILIPPINES DAILY EXPRESS in English 22 Mar 85 pp 1, 6

[Text]

MAKATI MAYOR Nemesio I. Yabut yesterday urged Jaime V. Ongpin, Benguet Corp. president, to "tell the entire truth" with regard to the ownership of the BCI building on Pasong Tamo, Makati whose realty taxes for the past 10 years Makati wants to collect.

The Makati municipal government, acting on the recommendation of the Makati municipal assessor, filed charges against Benguet Corp. and Ongpin, for non-payment of the realty taxes on the BCI office building and warehouse amounting to P707,780.

Ongpin, as Benguet president, claimed through his lawyer, Mario E. Ongkiko, that Benguet does not own the BCI building and is a mere lessee. Ongkiko said that the BCI building was owned by M.T. Kalaw Realty Corp. which "subsequently sold the property to another entity."

Yabut said that the "another entity" referred to by Ongpin's lawyer is EEI Realty Corp., whose chairman was Ongpin himself, from 1977 to 1980, a period covered by the 10-year non-payment of the realty taxes on the building.

BY ***
"CONVENIENTLY forgetting or refusing" to mention this, Ongpin was "mentally dishonest and I'm afraid I'll have to make an honest man out of him this time," Yabut said.

"If Jaime Ongpin cannot tell the truth, I will tell it for him," Yabut stated as he disclosed

"incontrovertible facts" on the ownership of the BCI building namely.

- The BCI building, was owned by Maria T. Vda. de Kalaw who leased it to Benguet Consolidated (now Benguet Corp.) in 1967. In 1968 ownership changed from Maria T. Vda. de Kalaw to M.T. Kalaw Realty Corp.

- In 1977, Engineering Equipment Inc (EEI), subsidiary of Benguet, bought all the shares of stock of M.T. Kalaw and Jaime V. Ongpin was elected director and chairman of M.T. Kalaw Realty Corp. one day after the sale. Subsequently, the corporate name of M.T. Kalaw was changed to EEI Realty Corporation, of which Ongpin was chairman from 1977 to 1980.

- In 1980, Benguet Corp. bought out EEI Realty Corp which retained ownership of the BCI building but became a 100 percent owned subsidiary of Benguet Corp. and remains as such to this day.

- Jaime Ongpin, as Benguet Corp. president, could not be ignorant that a subsidiary of his company owns the BCI building and he did not tell the whole truth when he referred to it as merely "another entity."

YABUT challenged Ongpin to deny these facts on which he has been silent, adding that silence is not one of Ongpin's characteristics if one goes by his "endless pronouncements" on practically every aspect of our economy and even

politics." It is therefore beyond comprehension, Yabut said, that he should be ignorant about a subsidiary wholly owned by the company he heads.

// Reacting to the claim of Benguet Corp. that he is ignorant of "the facts and the law" in calling an auction of the BCI building for non-payment of realty taxes, Yabut replied that he relied on the information given by the Makati municipal assessor. The fact of ownership may have been slightly incorrect since it is not Benguet Corp. that owns the building but its subsidiary, EEI Realty Corp., but the fact of non-payment of realty taxes is clear and incontestable, Yabut said.

Yabut also denied Benguet's claim of "ignorance of the law," saying that auction of a property to recover unpaid taxes is one of the legal remedies afforded the government under the Real Property Tax Code. But Yabut said he will resort to auction only as a last resort and under due process, but "certainly, not this afternoon or tomorrow morning, as Ongpin fears" -- *Bong de los Santos*

CSO: 4200/885

PHILIPPINES

OPPOSITION DOUBTS MOTIVES OF POLICE POWER TRANSFER

Quezon City ANG PAHAYAGANG MALAYA in English 23 Mar 85 pp 1, 8

[Article by Desiree Carlos]

[Text]

The opposition yesterday expressed strong doubts on the motives of President Marcos and the ruling KBL party in transferring supervision and operational control of the police and civilian militia to local officials, and voiced fears KBL mayors and governors would use this power to insure their victory in 1986.

The transfer was ordered by the President during his address before the graduating class of the Philippine Military Academy in Baguio City before whom he signed the implementing document.

Marcos said this move would "boost the campaign against communist insurgency," the presidential palace reported.

However, the President reserved the right to withdraw this authority "at anytime such power is abused or if the effectiveness of the overall peace and order campaign is negated."

Under the executive order, mayors and governors reacquired some of their powers over police they lost in 1973 when the Integrated National Police (INP) was formed and placed under the supervision of the military.

Aquilino Pimentel leading light of the PDP Laban and a main personality in the Convenor Group, told Malaya "there is danger to this move" since the police and the Civilian Home Defense Forces (CHDF) "can be used to subvert the electoral process."

When first announced, the move was criticized by the opposition as preparation for the local elections next year, which in turn is considered a preparation at the grass roots for the 1987 presidential polls in which Marcos said he will run.

Pimentel said, in reference to such alleged preparation that "it smacks of a partisan coloration" because police forces should "basically enforce laws to maintain peace and order...not to fight insurgents which should be

left to the military."

UNIDO President Salvador Laurel sees the moves as "a political gambit which perhaps indicate a presidential election is forthcoming very soon. It is intended to get local officials to be grateful."

On the other hand, former senator Ambrosio Padilla, erstwhile chairman of the UNIDO council of leaders and now with the Convenors, said he has "no objection to restoring the power to control the local police to mayors and governors."

However, he also expressed fear that under the circumstances there is danger the police may be used for political reasons, perhaps in the coming local elections."

He also took exception to the Marcos safety valve where the President could withdraw the power should in his view it is abused.

"If the power withdrawn, then the police automatically come under the control of the military," Padilla said.

In this regard, Pimentel also has a comment. "I do not believe he (Marcos) can withdraw the power impartially. He could withdraw it anytime at the slightest hint of trouble from the opposition mayors and governors," said the Cagayan de Oro politician.

MP Joselito Atienza (Opposition, Manila), principal author of a bill seeking to return civilian supremacy over local police forces, welcomed President Marcos' announcement, but hastily added, "Thanks, but no thanks" to the provision giving the President the prerogative to withdraw such powers from local officials anytime.

Atienza said that the conditional provision granting the President the power to withdraw police forces from local authorities whenever he deems fit may be taken to mean a manifestation of Malacanang's distrust in the capability of incumbent local officials to wield independent police powers.

"What the people are asking for is a system where

there is complete civilian supremacy over police and military forces, and not conditional powers which may be revoked anytime local officials may incur the presidential ire," he said.

Atienza also chided the president for having gone around his proposed parliamentary bill on police control just so he can insert his conditional provisions.

The transfer of supervision and operational control over the police forces was a concession the President had deemed necessary to equip local executives with more authority commensurate with the responsibility of local executives as the elected leaders of towns and provinces, Malacanang said.

The President noted that as leaders of their communities, the mayors and the governors were often blamed by their constituents for the breakdown of peace and order.

It was also deemed necessary to clothe the mayors and governors with more powers to enable them to resist the intimidation of communist insurgents especially in the rural areas.

The order states that in "case of conflict between the local executive and INP station commander arising from the implementation of the order, particularly in the deployment and assignment of personnel, the stand of the local executive will prevail."

In case of irreconcilable conflicts, the case may be appealed to the provincial governor for resolution as soon as possible.

The INP commander may appeal an adverse decision of the governor to the Minister of National Defense who will in turn resolve the issue in close consultation with the Minister of Local Government, the order states.

Marcos also yesterday ordered the use of P450 million in unprogrammed reserves of the Armed Forces of the Philippines to provide increased benefits to police and military personnel, the Presidential Palace said.

At the same time, Marcos signed a presidential proclamation setting aside about 373 hectares of public lands for Fort del Pilar, site of the premiere military institution in the country.

Highlighting the ceremony was the presentation to the President of the cream of the crop, this year numbering 209, led by Cadet Manuel R. Gaerlan, the first summa cum laude in the history of the PMA.

PHILIPPINES

RAMOS ADDRESS VIEWED AS CRITICAL OF VER

Quezon City ANG PAHAYAGANG MALAYA in English 23 Mar 85 pp 1, 8

[Text]

BAGUIO, Mar. 22 (AFP) — Lieutenant General Fidel Ramos, the acting armed forces chief, today indirectly criticized the administration of General Fabian Ver as he issued a strong call for reform in the military.

"I stress the urgent necessity for us .. to return to the basics," said Gen. Ramos, who took over last October after Gen. Ver went on leave as chief of staff to stand trial for opposition leader Benigno Aquino's murder.

In rites here marking Armed Forces Day at the Philippine Military Academy (PMA), Gen. Ramos identified the "basics" as "professionalism instead of personalism, self-discipline to the point of self-sacrifice, cost-effectiveness instead of extravagance."

He also called for "concern for the rank and file to replace elitism, merit and performance as the basis for advancement instead of favoritism, and fairness in dealing with others with respect for the law."

Gen. Ramos, 57, a graduate of the US West Point military academy, is widely seen as the main proponent of professionalism in the armed forces, which has

been under heavy fire here and abroad since the August 1983 Aquino murder.

Gen. Ver is described by critics and pro-Ramos sectors as representing a politicized military group that is intensely loyal to President Marcos, who has been chief executive since 1965 and ruled by martial law from 1972 to 1981.

There have been persistent reports of a quiet rivalry between the two generals since Marcos named Gen. Ver, 65, chief of staff over Gen. Ramos in 1981. Both officials and the President himself have brushed aside such reports.

Gen. Ramos said today that upon assuming office five months ago he listed three vital objectives — "to enhance our people's faith" in the armed forces, to improve discipline and morale of troops and upgrade the military effectiveness.

He said these objectives called for an integrated security plan for every town, city and province, a training and retraining program, better intelligence networks downs to the grassroots, civic action, channeling of logistics to the field, and proper respect for human rights.

The military has been strongly criticized for alleged human rights abuses and corruption, problems which Gen. Ramos has minimized but pledged to remove after he assumed the chief of staff's post.

PHILIPPINES

COLUMNIST'S COLOR EXAMPLE ILLUSTRATES BIPOLAR OPPOSITION

Quezon City ANG PAHAYAGANG MALAYA in English 24 Mar 85 p 4

["Please Pass the Salt" column by Armando J. Malay: "Red and/or Yellow"]

[Text]

A woman (let's call her Rita because that's not her true name) who had been joining us in marches and rallies approached me with a dour face. A big crowd had joined the rally, so I thought Rita would be ecstatic, rather than crest-fallen. I asked why.

Her reply jolted me somewhat. "Don't you notice, Dean, there are more yellow flags than red ones?" Only then did I notice that the the yellow banners outnumbered the red ones about three to one. But I said, "So what?"

Rita: "This means there are more Soc Dams, more reformists, more middle-roads than revolutionists."

Lolo Mando: "Does it make much difference?"

Rita: (fairly exploding): "Of course. Between Ninoy's assassination in 1983 and this is now 1985, those yellows should by now be reds. If yellow was adopted as the color of sorrow, that was okay in 1983 and probably up to August of 1984. But by now, sorrow should be subdued and

should give way to anger, to hatred, to revolutionary fervor. At this time, late enough as it is, and with the dictatorship getting more repressive, everybody should now show his true color!"

Lolo Mando: "But to you, there are only two colors. Either red or yellow. Remember, there are many colors in the rainbow. Even a colorful bird locally called siete colores (seven colors) has more than red and black."

Rita: "That's why it is a bird."

Lolo Mando: "Maybe these people still displaying yellow banners are greenhorns in this kind of activity. Maybe some of them have turned parlor pinkos, but you wait. Eventually they'll show their true color."

Rita: "If they are not true-blue reds by this time, then the future of the country is very black indeed. We might as well run up the white flag. The flag of surrender."

For a few moments, I was in a brown study. I'm not color-blind but neither do I look at

events with rose-colored glasses. Out of the blue, Bathala placed people on these islands who were of various colors: first the blacks, then the yellows, then the browns and finally the whites. The Celestial Painter mixed up all the colors of the skins of our peoples. Today, nobody, even the few Aetas living in the mountains can claim that he is pure black, pure brown, pure yellow or pure white. And that's still true of the whole world. There's no such thing now as a pure race.

Marking my words very carefully, I told Rita: "If I had my way, let's not carry flags anymore. So what if there are no red or yellow banners, as long as millions are marching in the heat of the sun or in the rain, grim-faced and looking determined that their demands would be met? Of course media photographers prefer a lot of banners in their pictures but, I think, what's more important is what we are fighting for. When I happened to be in Tokyo in 1967, the militant Zengakuren was on the march. Would you believe? They carried no

banners, they marched silently arm to arm. So silent were they that I didn't see or hear them coming until I was almost engulfed by their ranks. No shouting, no speeches, no banners, but they came by the hundred of thousands. The Tokyo police did not break them up. I'm sorry to state that in most of our rallies and marches, there's much frivolity -- before the police and the troops break us up. Foreigners note that our so-called indignation marches are more like a Mardi Gras. There's much joking, smiling, eating, frivolity. Of course if that's our way, so be it. *Kaya lang...*"

So much for colors. Maybe I sound disgruntled, I am not. If the rainbow is made up of various colors and there's the proverbial pot of gold at its foot, then by all means let's have various colors. But let's make sure that the pot of gold at the foot of the rainbow is truly our own gold, the product of our own efforts and wasn't placed there, with grapples attached, by the US, the IMF or the World Bank.

CSO: 4200/885

PHILIPPINES

BUSINESS DAY DISCUSSES ELECTION PROSPECTS

HK261549 Manila BUSINESS DAY in English 26 Apr 85 pp 5, 21

[By Maritas Danguilan-Vitug]

[Text] As the opposition tried hard to come together, the ruling Kilusang Bagong Lipunan vigorously prepares for elections, with the First Lady, Imelda Marcos, pushing her way to the fore.

While Labor Minister Blas Ople says there is "nothing notable" about the KBL's early preparation for elections--calling it "training in winter for the summer campaign"--the KBL, in its recent caucus, moved to strengthen the party. It reorganized its local chapters and left to the central committee, headed by the president, the decision on who to field in the coming elections.

This has prompted speculation that Marcos may call for early presidential elections, possibly within the year. Ople discounts this saying the Constitution has to be amended first to allow for elections in 1985. "This cannot be done by decree," he said.

Mrs Marcos, in the meantime, is seen at the inauguration of every new market, school or civic center, taking a very high profile indeed.

The opposition, in spite of its decision to field a common candidate in 1987, still cannot agree on how its best would be chosen. Moreover, the various opposition groups are still without a common political platform.

The KBL, while also fraught with little divisions, is held together by a forceful leader, Marcos, who appears to have bounced back to health. The president sent strong signals recently that he was in control when he sacked Foreign Affairs Minister Arturo Tolentino and castigated Ople for giving remarks critical of his government.

Marcos, observers say, was also seeking to douse the presidential ambitions of some party members. Tolentino was considered a presidential aspirant who capitalized on his outspokenness on views which did not always toe the party line.

Ople is also perceived as a contender for the presidency besides being one of the more informed and articulate Cabinet ministers.

Marcos maintains a particularly strong hold over the KBL, especially at this time. He has party members on tenderhooks, dangling the prospect of a Cabinet revamp.

A Cabinet minister says in private the president favors those who stood by him during times of crises, among other things; the First Lady is said to have made a count of the number of visits ranking KBL members made to Malacanang after the Aquino assassination.

In the opposition camp, two major groups are consolidating forces: the "cause-oriented" groups and the "traditional" political parties.

The newly formed Bayan (Bagong Alyansang Makabayan), a federation of "cause-oriented groups," is firming up its organization. "We want to be able to talk to political parties from a position of strength," former Senator Jose Diokno, one of its leaders, said.

The National Unification Committee, comprising general opposition political parties, mostly associated with Unido (United Nationalist Democratic Organization), is also tightening its ranks, getting its machinery oiled for a national convention to choose a presidential candidate.

While the NUC and the Convenor Group of Lorenzo Tanada, Corazon Aquino, and Jaime Ongpin have formed an alliance and agreed to field a common ticket in the 1987 polls, there remains some skepticism about its prospects. "This is one of many first steps (at unity). The real test will be when push comes to shove," said human rights lawyer Fulgencio Factoran.

Already, some of the opposition admit they may not be able to field a common candidate in 1987 the choice made by the NUC-CG group, for instance, be perceived as someone who is not for genuine reforms.

"We cannot go for a bad deal," Leandro Alejandro of Bayan said. "It is better to have a slim chance (of winning) than to have a president who will not work for the popular good."

The underground Left, on the other hand, has not formulated a stand so far on the 1987 elections. Diokno believes the Left may adopt a wait-and-see stance rather than support a candidate. "What if the candidate they supported turns against them once he is in power?"

It is acknowledged in opposition circles that the most organized group is the Left--the Communist Party of the Philippines, its military arm, the New People's Army, and the National Democratic Front.

The Left, after the upsurge of dissent brought about by the Aquino assassination, has recognized it must work with other forces not necessarily of its ideology. Some, therefore, have seen an "opening up" of the Left, a relaxation of its hitherto rigid stance.

Still, it will not give up trying to win over more sympathizers to its side. As the NDF Mindanao council chairman said in its first press conference, "We will convince them there is no other way...."

This is somewhat worrisome to the government as the Left's previous efforts to cooperate with other opposition groups have not been as pr
Left now speaks of forging "tactical alliances" with candidates and forming legal coalitions with other opposition forces.

In the KBL, the lines of loyalty are clearly drawn although some continue to play the "brinkmanship game," as observers put it, hoping to politically survive under the present administration without antagonizing the opposition.

To the Left, as the NDF Mindanao council chairman said, the KBL will most likely still remain in power even when Marcos goes.

But should an opposition figure win in the 1987 elections, what will the Left do?

Lucas Fernandez, council chairman, said; "It depends on which opposition leader wins...but we're open to an alliance with genuine nationalists."

Some are thinking of a scenario wherein the underground Left agrees to a ceasefire to give the new leader a chance to carry out basic reforms.

Fernandez said his group is open to a military victory that is not total "if the conditions are ripe. But our stress at present is developing our military capability. Relying now on solely political means to achieve victory is not realistic."

Diokno said in an interview a new government (led by the opposition) should not ask the CPP-NPA to lay down its arms. "That is their guarantee...if the new government does not achieve genuine reforms, then they can go on with the revolution."

A difficult issue for some opposition leaders is the role of the Left should an oppositionist come to power. Will he or she be able to rally the underground forces?

Others like to think of a scenario wherein leaders of the Left will actively participate in a coalition government. As such, violent struggle will become secondary or could even be avoided.

While this may seem far-fetched at this time, with the NDF stressing the primacy of armed struggle, some perceive a debate to be going on in the Left. It is focused on how far it is willing to go in working with other opposition forces, its minimum bases for unity, or in what areas compromise can be reached.

In both administration and opposition camps, the currents of organization and alignment run deep. In the race for power, the administration leans heavily on its considerable resources, the opposition on popular support.

CSO: 4200/872

PHILIPPINES

SUPREME COURT RULES LAWS NOT EFFECTIVE UNTIL PUBLICATION

HK261523 Manila BUSINESS DAY in English 26 Apr 85 p 24

[Text] The Supreme Court, in a plurality of opinion, has ruled that publication is essential for the effectivity of laws, presidential decrees and executive acts of general application.

Justice Venicio Escolin, who penned the decision concurred in by three others--Justice Claudio Teehankee, Ameurfina Melencio-Herrera, and Lorenzo Relova--said the publication must be made in the official gazette to be valid and binding.

However, seven justices led by Chief Justice Enrique M. Fernando ruled that such publication need not necessarily be made in the government monthly, OFFICIAL GAZETTE.

The justices who joined Fernando in his qualified concurring opinion are Justices Felix Makasiar, Vicente Abad Santos, Efren Plana, B. W. de la Fuente, Serafin Cuevas, and Nestor Alampay.

The decision stemmed from a petition filed by former Sen Lorenzo Tanada, Abraham Sarmiento and the Movement of Attorneys for Brotherhood, Integrity and Nationalism, Inc. (MABINI) to compel the publication of several presidential decrees, executive orders, letters of implementation, and administrative orders issued by the president.

Named respondents in the petition are presidential executive assistant Juan C. Tuvera, presidential assistant Joaquin Venus, Malacanang records chief Melquiades de la Cruz and director Florendo Pablo of the Government Printing Office.

Informed of the high court's decision, Justice Minister and Solicitor General Estelito P. Mendoza said the ruling "cannot be deemed to have any doctrinal value."

Besides, it is a matter of policy of government to have the laws and decrees published first before they are enforced and that before such publication, especially where the law imposes penalty, they are not enforced, Mendoza said.

Observing that the ruling failed to muster the necessary eight votes, Mendoza said, "All told, the decision in this case does not effectively decide anything."

PHILIPPINES

SOVIET FOREIGN TRADE OFFICIAL HAILS TRADE TIES

HK291538 Manila BUSINESS DAY in English 29 Apr 85 p 29

[Undated message from A. Manzhulo, USSR deputy minister of foreign trade, to the BUSINESS DAY supplement "Business Information Exhibition from the USSR, 29 April to 10 May, 1985"]

[Text] It is my pleasure to greet you in connection with the publication of special articles in your newspaper devoted to the Soviet Union, its peaceful foreign policy, achievements in the development of economy and foreign trade, as well as to the activity of Soviet foreign trade organizations and the trade relations between the USSR and the Philippines.

It is commonly known that foreign trade and economic cooperation are conducive to the strengthening of mutual trust and understanding among nations. The USSR is consistently pursuing a policy of developing international trade and economic cooperation. It is a matter of principle for the Soviet State. This policy is aimed at the preservation of peace, consolidation of detente and friendship among nations.

In the Soviet Union, great significance is attached to the promotion of friendly relations with the Philippines. IN a talk between M. S. Gorbachev, general secretary of the CPSU Central Committee, and Imelda Marcos, governor of Metro Manila, minister of ecology and settlements of the Philippines, held in Moscow on 14 March 1985 both sides noted with satisfaction the progress in Soviet-Philippine relations and expressed mutual desire to improve them even further in the interests of both countries, for the sake of strengthening peace in South East Asia and the entire Asian-Pacific region.

The Soviet Union invariably advocates the extension of mutually beneficial business ties with the Philippines. The Philippines is a relatively "young" trade partner of the USSR. Formal trade relations were established in June 1976 when the Trade Agreement was signed during President Ferdinand E. Marcos' visit to Moscow, which laid a firm legal basis for mutual trade and opened up new vistas for its development on the principles of mutual respect and complete equality. Good results have been achieved over the less-than-a-decade-long history of Soviet-Philippine trade relations due to the efforts of both sides. Before signing the Trade Agreement, the trade between the two countries was limited to single purchases of copra and palm oil through intermediary firms of third countries and Soviet goods were virtually unknown on

the Philippine market, whereas now the commodity turnover runs into tens of millions of dollars. The range of mutual deliveries is also expanding. However, the volume of trade could be by far greater considering the potential of both countries.

The extension and deepening of contacts between businessmen of the two countries, more frequent exchange of delegations, exhibitions and fairs staged to acquaint the other side with export possibilities could greatly contribute to the furthering of mutual trade. The business information exhibition of Soviet foreign trade organizations opening today in Manila serves this particular purpose.

We hope that the exhibition will be a success and will help the Philippine business community familiarize themselves with Soviet exports, will arouse interest in the goods made in the USSR and will ultimately contribute to the inclusion of new goods in the Soviet-Philippine trade.

We wish our Philippine trade partners further successes in the development of mutually beneficial business cooperation with Soviet foreign trade organizations.

(Sgd) A. Manzhulo
Deputy Minister of Foreign Trade of the USSR

CSO: 4200/872

PHILIPPINES

USSR OFFICIAL WRITES ON BILATERAL TRADE

HK291603 Manila BUSINESS DAY in English 29 Apr 85 p 29

[Article by V. I. Blokhin, "deputy head" of the Department of Trade With Asian Countries of the USSR Ministry of Foreign Trade, in the BUSINESS DAY Supplement "Business Information Exhibition from the USSR, 29 April to 10 May 1985": "Development of USSR-RP Bilateral Trade"]

[Text] Trade with the Philippines, the world's largest producers and supplier of coconut palm products (oil, copra) and one of the leading exporters of copper concentrate, sugar and a number of other commodities, is part of the external economic ties of the USSR with foreign countries.

The Soviet-Philippine trade relations have a relatively short history. The first deals were concluded in 1972, and up till 1975 the trade was limited to single purchases of coconut oil and copra via intermediary firms of third countries, while the export of Soviet goods to the Philippine market was virtually non-existent.

The trade agreement between the USSR and the Philippines signed on 2 July 1976 during President Ferdinand E. Marcos' visit to the USSR laid an effective contractual and legal foundation for the development of bilateral trade on a mutually beneficial basis. In the agreement, both sides noted their consent to grant each other the most favored nation treatment in matters of trade and navigation.

The agreement largely contributed to the growth of bilateral trade and to the building up of contacts between businessmen and foreign trade organizations of both countries. While the agreement is in effect, there have been years when the turnover reached nearly 200 million U.S. dollars, but beginning with 1982 a downward trend is observed in the mutual deliveries. It should be noted that over the entire period under consideration the trade balance has always been greatly in favor of the Philippines.

From 1976 throughout 1984, the Soviet imports accounted for above 90 percent of the total turnover. Coconut oil and raw sugar make up the bulk of the Soviet purchases in the Philippines. All in all, the Soviet Union has imported 528,000 tons of coconut oil and about two million tons of raw sugar since 1976.

These purchases are most essential for the Philippine economy: they boost domestic production and provide employment for the population.

The Soviet exports to the Philippines remain insignificant. The range of goods delivered from the USSR includes machines and equipment, as well as raw materials, but this is yet insufficient. Mineral fertilizers top the list, and in recent years high-pressure polyethylene and power-generating coal were included into it. The USSR also exports metal-cutting machine tools, bearings, wines and liquors, and other goods.

The trade practices and their developmental characteristics show that the available opportunities for increasing the Soviet-Philippines commodity turnover are under-used. For instance, there is a promising form of cooperation that has, for all practical purposes, been neglected. It concerns the construction of industrial objects in the country with the technical assistance of the USSR, with payments for the costs in the deliveries of Philippine goods that are of interest for the national economy of the Soviet Union.

There is another, comparatively new form of cooperation deserving consideration: the so-called compensation and charter deals practised for example by the USSR in its trade with Thailand. Under such contracts, the exporting firm charters ships of the Soviet merchant fleet to carry its products to third countries, while the freight is subsequently used by Soviet foreign trade organizations to pay for the goods offered by the charterer which is mutually beneficial for both sides.

Neither is barter trade practised which would allow to exchange goods on mutually advantageous terms.

An increase in the purchases of Soviet goods by Philippine private and state-owned firms and corporations could be conducive to the mutual trade. The means obtained from the export could be used to extend and diversify the imports from the Philippines.

Profound knowledge of the possibilities and needs of the parties concerned and regular contacts between businessmen can also promote trade relations.

The business information exhibition mounted by V/O Vneshtorg-Geklama in Manila 29 April to 10 May 1985 will serve to understand each other better and to find new forms of cooperation along the path of peace and progress.

CSO: 4200/872

17 May 1985

PHILIPPINES

BRIEFS

DEBT ARREARS TO BE MET--The Philippines will settle all its foreign exchange arrears by the end of the year, Central Bank Governor Jose B. Fernandez, Jr., said in his 1984 fourth quarter report dated 31 March. Fernandez did not give a figure on the amount of arrears to be settled, or the country's total foreign exchange obligations which have fallen due since the moratorium started on 17 October, 1983, BUSINESS DAY sources, however, had estimated it at about \$2.4 billion when the current year started. Data contained in Fernandez's report also showed that despite the country's debt-crisis, it managed to get new loans, mostly from official sources, amounting to \$1.3 billion since the moratorium started. [Excerpts] [Manila BUSINESS DAY in English 30 Apr 85 p 2 HK]

INSURGENCY ACTIVITIES--Subversive terrorists attacked an army detachment in Kalinga-Apayao over the weekend. That report from Elvita Pineda of the army's civil relations and information service: [Begin recording] Killed in action was Private Antonio (Cagas), while Private Fernando (Estabilla) was wounded. The enemy withdrew to the northeast direction of barangay Balansoy, Balbalan, Kalinga-Apayao when reinforcements arrived. Meanwhile in Cagayan (three) subversive terrorists were captured by army troopers. One team of the 21st Infantry Battalion under Lieutenant (Manuela), while on strike operations, encountered an undetermined number of armed NPA members. The firefight lasted for 10 minutes at Barangay [name indistinct], Cagayan. Apprehended were Nestor (Gawad) and (Lino Pabayawa). [end recording] [Text] [Quezon City Maharlika Broadcasting System in English 0800 GMT 29 Apr 85 HK]

SECURITY FOR THREATENED NEWSMEN--Defense Minister Juan Ponce Enrile said yesterday [29 April] that the lack of witnesses hampered the investigation into the killing of provincial newspaperman and the disappearance of a news correspondent based in Metro Manila. In a dialogue with newsmen at the National Press Club of the Philippines, Enrile said threats against newsmen are investigated to the extent that they can determine. He added that newsmen receiving threats will be provided with security. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 29 Apr 85 HK]

AGREEMENT WITH THAILAND--The Philippines and Thailand have signed a barter agreement formalizing the export of 50,000 tons of local fertilizers in exchange for 130,000 metric tons of rice. The fertilizers to be exported to Thailand are worth about \$25 million. Under the no cash counter-trade

agreement, two Thai firms will buy fertilizers from the Philippine phosphate corporation at \$162 per ton. Thailand in turn would pay with 130,000 metric tons of rice for the Philippines starting in May. [Text] [Quezon City Maharlika Broadcasting System in English 1100 GMT 30 Apr 85 HK]

FREEDOM OF INFORMATION ACT--Information Minister Georgerio Cendana yesterday [29 April] said he would work for the enactment of an information act by the Batasang Pambansa to give the working press the privilege of access to information. Cendana said the proposed information act has been calendared for discussion late this year or next year. The information minister made the disclosure at the Kapihan Sa Maynila [Manila Coffeeshop] at the Manila Hotel. Also at the Kapihan, Labor Minister Blas Ople called on the Philippine mass media to desist from focusing their stories on perceived failures or the incapability of the people or government in solving economic problems. He said the press, radio, and television should instead focus on the underlying strengths of the Filipino in overcoming obstacles to help spur the pace of the country's national recovery program. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 29 Apr 85 HK]

NPA COMMANDER, 2 OTHERS KILLED--Balanga, Bataan--A New People's Army commander and two of his men were killed in an encounter with government troopers in barangay Wawa, Orani, Bataan, at 8:30 a.m. yesterday. Col Jacinto Cruz, Orani police station commander, identified the fatalities as Gerardo Barrientos alias Commander Dement, Pepito Falcon, and Conrado Quicay. A 13-year-old boy was hit in the right leg by stray bullets during the 30-minute gunbattle. He was brought to the Central Luzon hospital in San Fernando, Pampanga. Two unidentified companions of Barrientos reportedly escaped through a cordon put up by Constabulary, marines, police, and paramilitary elements. The rebels were reportedly on board a tricycle when they were spotted by government troopers. They allegedly refused to heed the warning of the troopers to stop and instead opened fire at them. An exchange of gunfire followed. [Text] [By Efren P. Molina] [Manila BULLETIN TODAY in English 2 May 85 p 8 HK]

AVIATION TALKS WITH UK--The Philippines and Britain will soon hold a series of talks in an effort to forge a new air services agreement. The Philippine panel to the talks will be headed by Leon Kinsay. Kinsay said a new agreement has to be signed before October, or else flights between Manila and London will stop, in view of the termination of the agreement by Britain. Britain unilaterally abrogated its air service agreement with the Philippines last year over flight frequency. Kinsay said flights between Manila and Hong Kong have to be included in the agreement, because Hong Kong is a British territory. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 4 May 85 HK]

CSO: 4200/889

THAILAND

THAI PAPER ON IDEA OF CAMBODIA 'PROXIMITY TALKS'

BK300328 Bangkok THE NATION REVIEW in English 30 Apr 85 p 4

[Editorial: "'Proximity Talks' Has To Face Many Imponderables"]

[Text] Malaysian Foreign Minister Tengku Ahmad Rithauddeen has come up with a suggestions--accepted by other foreign ministers of ASEAN--that "proximity talks" should be held by the representatives of Heng Samrin Government in Phnom Penh and those of the coalition government of Democratic Kampuchea (CGDK) under President Norodom Sihanouk. This is as good a suggestion as the others that have been put forward for a political solution to the problem of Kampuchea.

"Proximity talks" mean that, since the two factions are warring parties, they will sit in different rooms and an intermediary will shuttle between the two making indirect negotiations possible. There is no history of "proximity talks" and the only time it was tried to bring Lebanon's warring parties together, it failed. Anyway the suggestion has been approved by the ASEAN foreign ministers, who met in Bandung, only in principle and senior officials of ASEAN, soon to meet in Brunei, will come up with specifics.

The first hurdle is that both parties must agree. For Heng Samrin to agree Vietnam must give the nod which in turn means that the Soviet Union must back the proposal. For the CGDK to agree, not only the three coalition partners must agree, but China will also have a say in the matter. This is complicated enough but if this bridge is crossed--a most unlikely possibility--the question of an intermediary will arise.

A representative of ASEAN will be unacceptable to the Heng Samrin regime because the organization backs CGDK and so a country must be found whose sympathies are neutral--the only country that may meet that specification could be Australia. The primary problem of Kampuchea is the Vietnamese occupation of that country and whether the Heng Samrin regime has the right to guarantee the pullout of Vietnamese troops is open to question. After all, a political solution to the Kampuchean problem, to put it simply, means the withdrawal of Vietnamese troops and the Khmer people electing a government.

If the ferocious dry season offensive is any indication, the Vietnamese are bent on conquering all of Kampuchea and maintaining their hold over that country

leading up to the final objective of setting up the Greater Indochina Federation. But then again the dry season is at an end and now the resistance forces have the edge and, when the monsoon comes down swamping Western Kampuchea, the resistance forces will be able to drive out the Vietnamese and secure their camps again--at least that is the present scenario.

But whichever way one looks at the Kampuchean problem, it seems to be an issue between communist giants. All that ASEAN has been able to do, since Vietnam invaded Kampuchea in 1978, is to win ever increasing votes in the UN General Assembly demanding the withdrawal of Vietnamese forces from Kampuchea. The International Conference on Kampuchea was another ASEAN effort combined with Western Europe and the U.S. but that peace process never got off the ground and is right now in limbo. However, despite all these imponderables, we believe that ASEAN should keep on trying to find some formula to bring peace.

CSO: 4200/895

17 May 1985

THAILAND

MAE HONG SON GOVERNOR ON FIGHTING IN BURMA

BK291516 Bangkok MATICHON in Thai 29 Apr 85 p 2

[Text] Mae Hong Son provincial governor Wanit Phonphibun has disclosed that the fighting among armed minority groups in Burma for control of some areas was continuing, adding that the major influential groups involved were the Wa, Khun Sa, and Kuomintang groups.

Wanit said that this issue was regarded as an internal affair of Burma. Thailand will not interfere in this affair, and is only defending peace and security inside Thai territory. We have sufficient forces, such as the Border Patrol Police, rangers, provincial police, and volunteers, to defend Thai soil. Soldiers from the 7th company of the 4th battalion have been stationed at Mae Sariang District while those from the 7th company of the 5th battalion have been sent to Pai District to reinforce the defense capability.

The fighting between the ethnic groups in Burma has affected trade between the peoples of Thailand and Burma, who have been doing business with each other for a long time, because some roads have been closed. Another effect on the Thai side is that some wounded soldiers have come to receive treatment at Sisangwan hospital in Mae Hong Son Province. There are now 30 of them at the hospital.

The governor said "they are very strange because they fight when they are on the battlefield or in the jungle, but when they are wounded, they come to the same place for treatment and talk to each other in the hospital. After they recover, they fight one another again."

CSO: 4207/197

THAILAND

PREM CONDEMNS LACK OF FUNDING FOR ADB

BK300833 Bangkok BANGKOK WORLD in English 30 Apr 85 p 3

[Excerpt] Prime Minister Prem Tinsulanon this morning accused the developed countries of hindering the economic growth in the Asia and Pacific region by intensifying protectionism, particularly in the form of qualitative and quantitative non-tariff barriers.

Addressing the 18th meeting of the Board of Governors of the Asian Development Bank [ADB] at Dusit Thani Hotel, Gen Prem said the lack of financial support is not the sole obstacle in the development process in this region.

Rather than merely seeking financial aid from foreign institutions, most of the developing countries would like to increase their trade earnings to pay for their own development programmes, he said.

Gen Prem said the ADB had successfully promoted development efforts in the region which, in turn, had stimulated the world economic growth.

But he said it was "regrettable" that in recent years the acute funding needs of the bank had not met with the kind of support they fully deserved from donor countries.

The prime minister also urged the bank to pay more attention to the pollution problem caused to some extent by economic progress. Thailand, he said, will continue to support the bank in such endeavours for preservation of environment.

CSO: 4200/893

THAILAND

SRV ANNIVERSARY SAID 'NOT HAPPY OCCASION'

BK300109 Bangkok BANGKOK POST in English 30 Apr 85 p 4

[Editorial: "Vietnamese Have Little to Celebrate"]

[Text] It would be nice to be able to congratulate Vietnam 10 years after the end of the second war of Indochina. We are not anti-Vietnamese. We have no bitter feelings toward the men and women of Vietnam. Although we do not agree with the communist system, we were ready to wish Vietnam good luck. We also hoped that the end of the fraternal war would also mean the beginning of a time of healing and happiness for a country that fought courageously in its determination to win full independence.

It would be nice to see Vietnam as just another country in the region with its share of problems, dreams and success, to see it as a difficult but sincere friend. We are part of the same continent, of the same zone, we both cherish our independence.

Alas, this 10th anniversary is not a happy occasion. Not for us, and even less so for the Vietnamese people. Of course the war is over and the country reunified--at least on paper. But it is facing a bleak present and a gloomy future. And its people, many of whom fought very hard for their country, are no more happy than they were 10 years ago.

There is a great lesson for all of us from what has taken place in Vietnam during the past 10 years. Also from what is going on in Kampuchea and even in Laos. After all there was no Pol Pot in Vientiane, no "Chinese threat" in the plain of jars. But nevertheless the People's Army of Vietnam is very much in evidence and Vietnamese "advisers" are behind every important decision.

While the war was going on, the communist side made a bundle of promises to reassure the south. They managed to win the confidence of good men and women who abandoned families and jobs to fight for what they were convinced was a just cause. And maybe the cause was just. But what Hanoi had in mind was something very different. They were only interested in total control over the country by the communist party. The people's feelings really did not enter into it. The people may be celebrated in speeches and slogans, but they are also ordered to shut up.

In such a system the people are at the mercy of arrogant cadres and selfish ideologues. Mr Truong Chinh, the very orthodox member of the politburo may sincerely believe that Marxism and Leninism is a wonderful gift for the people. But he is certainly not ready to ask the citizens of Vietnam what they think about it.

Their answer is pretty clear though. How many Vietnamese men and women have been ready to risk their life to escape the communist dream? Don't tell us all of them were just corrupt and rich bourgeois.

And then there is the war Vietnam is conducting in Kampuchea. Hanoi greatly contributed to establish the very same regime it decided to destroy four years later. In early 1979, Vietnam had a chance to prove to the world, and especially to Thailand, it wanted nothing but peace for itself and a better life for its Kampuchean neighbours. Instead the only solution the politburo could see was to dominate Phnom Penh and transform it into an annex of Hanoi. The move was completed with a new docile communist party and enough troops to make sure the Khmers would not get the wrong idea as to who the boss really was.

The problem of Vietnam, of course, is not Vietnam. It is the communist party. The party keeps a rigid system alive and the economy goes nowhere. The communist party entertains the illusion Marxism is a kind of scientific doctrine which will win in the end. Ask the Vietnamese citizens. They know better. They know it does not work.

CSO: 4200/893

THAILAND

NO CONFIDENCE MOTION, REACTION DISCLOSED

Phichai 'Surprised'

BK040052 Bangkok BANGKOK POST in English 4 May 85 p 1

[Text] Deputy Prime Minister Phichai Rattakun said yesterday that he was surprised by an opposition motion of no-confidence in the prime minister and seven of his cabinet colleagues.

He said the Chat Thai Party had been a member of previous coalition governments and thus should be aware of the economic problems facing the country and the measures needed to remedy them.

He denied opposition charges that the economy was in a critical condition. To be more correct, he said, the economy was sluggish.

But instead of doing nothing to alleviate the situation, the government had shown its political resolve and had risked criticism by adopting some unpopular measures such as November's baht devaluation and the recent tax increases.

Mr Phichai described as ridiculous a claim by Chat Thai members that the prime minister had persuaded the party to join the coalition government in place of the Prachakon Thai and National Democracy Parties.

Prem Offers Chat Thai Cabinet Post

BK030259 Bangkok BANGKOK POST in English 3 May 85 p 3

[Excerpt] Chat Thai MP's yesterday claimed that Prime Minister Prem Tinsulanon has offered to let their party replace the Prachakon Thai and National Democratic Parties in the coalition government.

Saraburi MP Pongphon Adireksan said at Parliament yesterday afternoon that deputy party leader Maj-Gen Chatchai Chunhawan told a party meeting last Tuesday that the premier had offered to include the Chat Thai in the government providing he is not named in the party's no-confidence motion.

Maj-Gen Chatchai revealed the offer to the party meeting after we voted to submit a no-confidence motion against the prime minister and six economic ministries," Mr Pongphon said. He added that Maj-Gen Chatchai was "booed down by the younger MP's in the party who told him that they had been fooled once and should have learned their lesson."

Earlier yesterday Maj-Gen Chatchai told the BANGKOK POST that he did not agree with naming Gen Prem in the censure motion.

"Gen Prem is a good man. He is honest and is enthusiastic about doing his job for the benefit of the country. The economy is the responsibility of the individual ministries and so the no-confidence motion should not include the Prime Minister," Maj-Gen Chatchai said.

A senior party MP also claimed that Assistant Army Chief-of-Staff Lt-Gen Chawalit Yongchaiyut and Defence Ministry permanent secretary office official Maj-Gen Mongkhon Amphonphisit contacted party leader Pramarn Adireksan and made the same offer.

The source claimed that Gen Prem called Maj-Gen Praman on Tuesday saying that Lt-Gen Chawalit was trusted by him and whatever Lt-Gen Chawalit said represented his own views.

However, Mr Phongphon denied that the premier ever phoned Maj-Gen Praman.

The sources also claimed that the army officer also approached maverick deputy leader Col Phon Roengprasoetwit which led to the latter announcing that his faction of about 20 MP's would oppose the censure against the premier.

The faction would also "make more trouble" for Chat Thai in the future, possibly by claiming that their old Siam Democratic Party was not disbanded when it joined Chat Thai, the sources said.

Maj-Gen Praman said that his no-confidence motion had about 90 signatures although some party MP's refused to sign it. He said he would submit the motion in "a day or two."

Prem Aide on Motion

BK050234 Bangkok THE NATION REVIEW in English 5 May 85 pp 1, 2

[Text] A senior aide to Prime Minister Prem Tinsulanon yesterday said opposition Chat Thai's no-confidence motion against the premier and seven of his cabinet members contained accusations "which are too broad and general to be of any use to the public."

Lt Gen Chantharakhup Sirisut said the queries put forth by Chat Thai were far from specific. "For example, anybody could say some policemen are corrupt and that they extort money from mini-bus operators or control whore-houses. But he doesn't say who the policemen are or when and how the alleged misconduct had taken place," he said.

Lt Gen Chantharakhup said the accusation by Chat Thai that Gen Prem is indecisive and lacking in leadership "is also too general."

The prime minister's secretary general said that despite criticism from the Opposition on the government's economic performance, there are figures to prove that the economy has improved since the baht devaluation. "Of course, we can't get as much benefits as we wanted," he said, adding that the world economy in general has been unfavourable.

"Thailand's economy is much better than that of the Philippines and Malaysia, for example," he said.

Lt Gen Chantharakhup said that two years from now, the country's economy will improve significantly with the development of oil and gas reserves. "That's why I wonder why the Opposition has decided to attack the government," he said.

Lt Gen Chantharakhup also denied accusations from Chat Thai that Gen Prem seems to prefer southern people and graduates from Suan Kulap College and Cavalry Division. "That's totally unfounded. Take me for example. I am neither a southerner nor a graduate from Suan Kulap," he said.

Lt Gen Chantharakhup also denied that the premier had recruited only his friends to work in the government. "Only Minister Chan Manutham (attached to the PM's Office) is a close friend since their childhood. It's strange to say the premier prefers only his cronies. But then, one certainly has to pick people he could trust to work with," Lt Gen Chantharakhup added.

Asked about Gen Prem's reaction to hhat Thai's no-confidence motion, Lt Gen Chantharakhup said: "The prime minister has said nothing. He is ready to explain things. But I personally don't understand the motives of the Opposition. They do not aim to win or to topple the government. In principle, such a move should be made when the government is really guilty and a government change is desirable. It should not be made just for the sake of seeking a chance to scold the government."

Asked about reports that the prime minister had telephoned some leaders of the Opposition proposing that Chat Thai could join the coalition replacing Prachakon Thai and National Democracy Party, Lt Gen Chantharakhup replied: "To be frank, I have never heard of such news. But why would the prime minister do that in the first place?"

On the proposal to broadcast the no-confidence debate live, the premier's senior aide said Gen Prem may have to consult several parties involved.

Lt Gen Chantharakhup said that the no-confidence motion may be discussed in the upcoming weekly cabinet meeting.

Opposition Party Moves

BK010149 Bangkok THE NATION REVIEW in English 1 May 85 p 2

[Text] Chat Thai Party will spearhead a move to submit a no-confidence motion against Premier Gen Prem Tinsulanon and six cabinet members soon after parliament reconvenes.

Secretary General of the party Banhan Sinlapa-acha (Suphanburi) said the six cabinet members who are the target of the motion are Finance Minister Sommai Huntrakun, Commerce Minister Koson Krairoek, Agriculture Minister Narong Wongwan, Industry Minister Op Wasurat, Interior Minister Gen Sitthi Chirarot and Communications Minister Samak Sunthorawet.

Banhan told reporters after a meeting of the party that the motion will be submitted to House Speaker Uthai Phimchaichon in the next few days.

Banhan blamed the premier and his economic ministers for the failure to solve economic and fiscal problems facing the country. He cited the failure in the government's policy of price guarantee for agricultural produce.

Chat Thai Party, he said, is unhappy with the way the interior minister is handling security for the public. Banhan said Samak still cannot clear himself in the scandal involving the granting of concessions of 19 private provincial tour coaches.

The meeting of Chat Thai Party yesterday also appointed a committee, led by Dr Yupha Udomsak (Phichit), Chumphon Sinlapa-acha (Suphanburi) and deputy party leader Dr Anuwat Watthanaphongsiri, to draft the motion and coordinate with other MP's, he said.

Banhan said his party will vote against all the nine special royal decrees to be debated by the House. They include the decree which outlaws chit fund business.

CSO: 4200/894

THAILAND

LABOR LEADERS ADMIT 'DISUNITY, POWER STRUGGLE'

BK050355 Bangkok THE NATION REVIEW in English 3 May 85 p 5

[Text] Disunity and a power struggle among labour leaders are among the main factors which have weakened the labour movement in Thailand.

This was the view expressed by many present and former labour activists at a round-table discussion on labour organization Wednesday.

They also urged labour leaders to work for the interest of workers and not for themselves.

The discussion, held at the Royal Hotel, was attended by about 50 people. Among the speakers were President of the Labour Congress of Thailand (LCT) Amat Khamthetthong, president of the National Congress of Thai Labour (NCTL) Wichian Siwichian, president of SRT [State Railway of Thailand] Employees Labour Union Phat Mattharat, former labour activist Thoetphum Chaidi and former student activist Somphong Sakawi.

They agreed that the labour movement is not [as published] split into four labour organizations because of disunity among labour leaders. They predicted that unless something is done, there will be more splinter labour organizations in the future.

Amat admitted that the disunity was the result of different stands within the labour groups which, he said, is more preoccupied with short-term issues than with the root cause of problems.

Amat also called on the government to help build a strong labour union system for the workers.

Thoetphum, meanwhile, said a strong labour movement needed labour leaders who had ideology, were willing to make sacrifices and had necessary experience.

Sawat Lukdot, an advisor of LCT, said a labour group had launched a labour bulletin called KONGNA (Forward) to serve as a link among workers.

CSO: 4200/893

THAILAND

HOUSE PASSES DECREE OUTLAWING CHIT FUNDS

BK030349 Bangkok BANGKOK POST in English 3 May 85 p 1

[Excerpt] The House of Representatives last night overwhelmingly passed the controversial executive decree outlawing chit funds by a vote of 180:72 after two and a half hours of heated debate.

Buoyed by the government's victory on the decree, Prime Minister Prem Tinsulanon briefly told reporters that he was happy with its passage.

The decree, which came into force last November, will now be forwarded to the Senate for deliberation.

At the centre of the heated debate was an accusation made by clients of the well-known Mae Chamoi oil share that the wife of a cabinet minister had heavily invested in the oil share but had already withdrawn her investment.

The allegation was contained in xeroxed copies of a letter and cheques distributed to members of the Parliament in front of Parliament House by oil share investors. The copies showed four cheques purportedly drawn by Mrs Chamoi Thipso between 1 September and 31 December, 1984 for Khunying Phimpha Suntharangkun, the wife of Deputy Prime Minister Prachuap, for a total amount of 33.8 million baht.

About 500 protesters, mostly Mae Chamoi clients, rallied in front of the Parliament to protest against the decree. Many of them kept their vigil until the debate on the decree finished at about 8 p.m.

Capitalising on the "evidence" obtained from the oil share investors, Social Democratic MP Khlaeo Norapati of Khon Kaen demanded that the Prime Minister set up a committee to investigate the deputy premier who, he alleged, had deliberately allowed his wife to invest in the Mae Chamoi oil share pool.

The MP said that if it could be proven that the allegation made by the oil share clients was true, then the deputy premier should go.

He also said that another cabinet minister was involved in Mrs Nokkao Chaiyun's oil share and demanded an investigation to elicit the truth.

Calling Finance Minister Sommai Huntrakun an "old and awkward man," the outspoken MP also accused the minister of being irresponsible if not taking action quickly enough to put an end to the Mae Chamoi oil share pool before the sum invested had climbed to several million baht.

He said that the executive decree should have been enacted a long time ago.

CSO: 4200/893

THAILAND

SOCIAL ACTION PARTY DECIDES TO REVIEW POLICY

BK010345 Bangkok BANGKOK POST in English 1 May 85 p 1

[Text] The Social Action Party [SAP] yesterday yielded to growing dissatisfaction among members and decided to appoint three committees to review the party's decade-long policy.

M. R. Khukrit Pramot told reporters that SAP would examine if its past policy has followed the right direction. The party defeats in recent by-elections would also be evaluated to enable members to be better prepared for the next general election.

The move came after a heated debate during which several party MP's bitterly criticised SAP's economic ministers for their alleged failure to solve economic problems.

The SAP's ministers' alleged poor performance had led to the party's defeat in the Nakhon Pathom and Yasothon by-elections.

SAP sources said that deputy party leader Kasem Sirisamphan led angry members in attacking the party's policy, and the ministers asked M. R. Khukrit to intervene by urging participants not to focus verbal attacks on individuals.

The criticism was prompted by Mr Kasem's motion to review the party's policy on rural development through the diversification of government investment through small development projects.

The sources said that Mr Kasem had stated that the economic ministers' poor performance was used by rival parties to attack SAP in the by-election campaigns.

SAP, he said, should review its policy. The diversification of the government budget into rural areas might be outdated.

The role and the performance of the party's economic ministers must also be redefined and their image be polished to create an impression that they are capable of solving the country's economic problems.

Another key member, Pol Capt Surat Osathanukhro, told the meeting that he had visited the people in rural areas and received constant complaints of declining agricultural prices and the deteriorating economic situation.

"These are the points in the party's policy which deserve consideration," he was quoted as saying.

At one point, Maha Sarakham MP Chanchai Chairungruang demanded that the party replace its economic ministers with better people.

Commerce Minister Koson Krairoek and Agriculture and Cooperatives Minister Narong Wongwan yesterday promised during the meeting that they would try their best to tackle the nation's economic problems.

Mr Narong told reporters later that he would ask his ministry experts for their views, in order to improve the ministry's performance.

Party spokesman Prason Butsarakham said that SAP had agreed to appoint three committees to review the party's decade-long policy.

CSO: 4200/893

THAILAND

BUDGET FOR 1986 CALLS FOR BIG SPENDING CUTS

BK010159 Bangkok BANGKOK POST in English 1 May 85 p 3

[Text] The cabinet yesterday acknowledged an austere budget for the 1986 fiscal year with spending set at 218,000 million baht--significantly below the more than 300,000 million baht originally sought by government units and state enterprises.

Budget Bureau Director Bodi Chunnanon said yesterday that details of the trimmed-down budget would be referred to the units concerned for consideration before being resubmitted to the cabinet for finalisation on 21 May.

The trimmed-down budget still represents an increase of 5,000 million baht, or 2.3 percent, over the current year's 213,000 million baht.

But considering a cutback of 4,000 million baht from the current year's spending to alleviate a budgetary deficit, the new budget represents an increase of 9,000 million baht, or 4.3 percent, said Mr Bodi.

To cope with the increase, the government has projected revenue earnings of 185,000 million baht, with the rest to be obtained in loans from the Bank of Thailand (8,700 million baht), Government Savings Bank (10,000 million baht), commercial banks, foundations and other financial institutions (14,300 million baht).

The budgetary deficit has been set at 33,000 million baht, or 15.1 percent of the budget. This is about 2,000 million baht lower than this year's anticipated budgetary deficit.

Debt servicing has been set at 50,719.3 million baht, representing an increase of 6,019.3 million baht, while the amount allocated for investment totals 34,682.2 million baht--down 162.7 million baht on this year's 34,844.9 million baht.

Mr Bodi said that by the years 1987-88, Thailand's debt servicing burden will fall considerably, allowing a corresponding increase to be made in investment spending.

He estimated that the inflation rate for the next fiscal year would be maintained at 5.5 percent as compared to this year's five to six percent.

Deputy Prime Minister Phichai Rattakun said yesterday that he disagreed with certain points of the trimmed-down budget, especially the smaller amount earmarked for investment, which could help promote economic development.

Mr Phichai also said that the amount allocated for the salaries and allowances of government officials was too high and should be cut.

Following are details of the new budgetary allocations: agriculture, 17,269.8 million baht (last year, 17,301.4 million baht); industry and mining, 784.9 million baht (507.5 million baht); communications, 11,134.5 million baht (10,698.4 million baht); commerce and tourism, 789.8 million baht (687.7 million baht); science, technology, energy and the environment, 1,010.9 million baht (903.8 million baht); education 41,592.8 million baht (40,077.6 million baht); public health, 9,947.1 million baht (9,537.5 million baht).

CSO: 4200/893

THAILAND

OFFICER ON MALAYSIAN AID IN ANTI-SEPARATIST MOVES

BK290139 Bangkok BANGKOK POST in English 29 Apr 85 p 5

[Text] The Fourth Army Region is exploring ways leading to Malaysia cooperating with Thailand in suppressing separatist bandits along the two country's common border, Maj-Gen Panya Singsakda, the deputy regional commander, told the Bangkok Post yesterday.

He said at present Malaysia could not help suppress Muslim separatist bandits because they are not regarded as the two country's common enemy under an existing joint border cooperation agreement.

He said this state of affairs could be ended by setting up a special joint committee.

This had once been proposed by Lt-Gen Datuk Hashim, now the Malaysian deputy commander-in-chief, to Lt-Gen Han Linanon, former commander of Fourth Army Region. It was never seriously considered however.

Maj-Gen Panya said senior Malaysian officials had already expressed their willingness to look into the problem and to find ways to deal with it in cooperation with Thai authorities. At present they couldn't do so because of the wording of the agreement, he added.

Another drawback is the lack of information on separatist movements from the Malaysian side.

The deputy commander said in future the Fourth Army Region would supply information to their Malaysian counterpart concerning Muslim separatist bandits with border sanctuaries.

He said Lt-Gen Datuk Wan Ismail Mohamed Saleh, commander of the Malaysian Northern Corps, proposed during last week's General Border Committee meeting in Penang that the two sides step up the exchange of visits between their field commanders.

During the meeting both sides agreed to increase the exchange of information relating to border-based communist guerrillas. Maj-Gen Panya maintained that the Thai Government was still willing to hold talks with the guerrillas about their unconditional surrender.

THAILAND

GENERAL NOTES COMMUNIST BROADCASTS, COUNTER-SUBVERSION

Bangkok SENASAN in Thai Mar 85 pp 22-28, 33-38

[Article by Maj Gen Morakot Thanyasiri: "Public Relations for National Security"]

[Excerpt] Public Relations In the Communist System

A very important point in the national policy that concerns public relations is creating good understanding between the government and the people in order to have national unity, which is necessary for the economic, social and political development of the country and for defending the country against enemy provocations and subversion.

Enemy Provocations and Subversion

By "enemy," we mean the communists. At present, they are waging a powerful offensive against Thailand. In particular, they are carrying out acts of provocation and subversion, both within the country and from abroad using propaganda and other methods.

From Within the country

The facts show that the communists began carrying on activities within Thailand in 1927. It was Chinese and Vietnamese groups that disseminated [communist ideas]. They expanded their movement by getting more people to accept their views. They did this by establishing study groups, which studied the communist ideology. They also studied conditions in Thailand that could be used to expand the movement.

The Communist Party of Thailand (CPT) was formed in 1942. Japan invaded Thailand on 8 December 1941. The communists took this opportunity to form a front with those resisting Japan. This enabled the communists in Thailand to cause provocations and gain a stronger foothold among laborers, who did not realize what was happening. The party was officially established at the First Party Congress held on 1 December 1942. This first act of subversion resulted in some Thais becoming infatuated [with communism]. After establishing the communist party, they formed another movement to parallel the Free Thai Movement. This enabled them

to play a greater military and political role. After the war, they expanded their propaganda activities among the laborers and students. They incited the laborers at various places to go on strike and incited student demonstrations and then made use of these conflicts between employers and employees and between the students and the government. Besides that, the country was experiencing certain difficulties. For example, Thailand was at a disadvantage based on the conditions of the treaty between Thailand and England and the United States. The country suffered a drought, and food became expensive. Rubber prices in the south fell, and the economy was going into a recession. There was more and more corruption in the bureaucracy. These things gave the communists a chance to carry on subversive activities among the laborers, farmers, monks, students and government officials. Finally, in 1952--and many times after that--the government used force to suppress the communists.

The expansion of the communist party in Thailand achieved mixed results depending on the situation. Then, following the coup d'etat in 1957, the communists stepped up their activities using various forms of propaganda. Finally, the government of Field Marshal Sarit Thanarat took strong and resolute suppression measures. The communist party in Thailand fled from the central region and carried on operations along the northeastern and western borders. Their targets were the uneducated farmers who lacked contact with the government. This enabled their propaganda and subversive activities to achieve good results. But the suppression sector used strict measures to carry on suppression operations in the localities where the communist party was active. Thus, the communist party fled from the rural areas to the jungles in the northeast, south, west and north.

In response to the government's suppression operations, which drove the communist party into the jungle, the communists stepped up their propaganda activities. And at the same time, they expanded their secret political struggle and began using armed forces. Clashes with government suppression units have occurred throughout the country ever since.

Looking at the tools of subversion used by the communist party in Thailand, several things can be seen:

1. Dissemination in society: This is thought to be the first tool used by the communist party. For example, it held meetings and sent trained propaganda teams to carry on activities in rural villages. These people went posing as ore merchants, drug merchants, watch repairmen and singers. These teams spread propaganda to get the uneducated rural people to turn pro-communist. This method had profound results and expanded greatly.

2. Selection of village youths for training: People were enticed to go by dreams of progress. They were sent to attend training seminars on the left bank of the Mekong River or in Hoa Binh near Hanoi. They studied politics, guerrilla tactics and propaganda methods. They were

then sent back to carry on subversive activities in Thailand. some communist terrorists surrendered when they realized that they had been tricked.

3. Spreading rumors: The purpose of this was to cause misunderstanding, frighten the people and generate disorder among the people and government officials.

4. Provocations to cause turmoil: This included staging provocations to get students and villagers to demonstrate, to get laborers and others to strike and to get youths or students to attack each other with the aim of causing disunity and turmoil and leading people to believe that this stemmed from the weakness of the government.

5. Dissemination of documents: This included printing documents on communist ideology, communiques and subversive documents and distributing them to laborers, students, government officials, monks and villagers.

6. Letters to incite: These were sent through the mail to students, government officials, laborers, monks and other people. These were sent periodically whenever the situation in the country was favorable for stirring up trouble and making condemnations.

From Outside the Country

Thailand has been the propaganda target of foreign communists since the very beginning. The number of propaganda tools used and the amount of propaganda spread has increased greatly.

1. The mass media: This includes radio, printed material and movies. Officials have banned the import of such printed material and movies and violations have declined. But the radio is a mass media form with a wider range than other forms. Propaganda can be broadcast across the border. At present, the communists operate at least eight radio stations that beam propaganda broadcasts at Thailand. This is a very effective and frightening tool. They broadcast programs in the Thai language and in ethnic minority languages such as Chinese, Malaysian, hill tribe languages and local regional dialects, which the villagers in those regions can understand more easily.

2. Individual activities: This includes talking to people on an individual basis. Communists are secretly sent into Thailand from abroad to engage in subversive activities in Thailand.

3. Goods from communist countries: An example was smuggling in cheap goods from Red China and selling them in Thailand, both directly and indirectly, for propaganda purposes. High-quality goods were produced and sold cheaply in order to show that the country was a developed country.

Past experiences have shown us that it is not Thailand's policy to accept help from the communists. Thailand has not permitted communist institutions or organizations to carry on activities in Thailand. It has resolutely forbidden movies from being shown in Thailand. Printed materials that popularize communist ideology are considered to be illegal materials. Those who have such materials in their possession with the intent to disseminate them can be imprisoned. Dissemination by word of mouth has been prohibited. But the communists have tried to find ways around this. And they have another tool that we cannot control--radio. After the Revolutionary Council resolutely suppressed the communists in Thailand, it became very difficult for the communists to carry on propaganda activities in Thailand and so they looked for a way out by building radio transmitters with a high output. They broadcast programs in the Thai language in order to reach the Thai people. The Thai government was unable to control or block this since these radio stations were located outside the country. These propaganda broadcasts distorted the facts, attacked the government and constantly urged the people to split away. This is still a "thorn" in the side of the government today.

The following is a list of the communist radio stations that broadcast programs in the Thai language:

Thai-Language Broadcasts of Communist Radio Stations

1. Voice of the People of Thailand Radio Station:

Frequency: approximately 9 and 6 MHz. Wave length: 31 and 49 m.

Output: approximately 100 kw.

Reception times in Thailand: 0600, 1000, 1200, 1700, 2000 and 2200 hours.

2. Voice of Hanoi Radio Station:

Frequency: approximately 11.9 and 9 MHz and 1250 kHz (approximately 9, 7 and 8 MHz). Wave length: 31, 41 and 36 m.

Output: approximately 50 kw.

Reception times in Thailand: 0630, 1200, 1830, 2000, 2130 and 2200 hours.

3. Voice of Beijing Radio Station:

Frequency: 16,405 kHz. Wave length: 12 m.

Output: approximately 400 kw.

Reception times in Thailand: 0630-0700, 1830-1900 and 2030-2130 hours.

4. Voice of Moscow Radio Station:

Frequency: approximately 18.9, 15.7 (11.9, 15.7 and 11.9 MHz). Wave length: 16, 19 and 25 m (19 and 25 m).

Reception times in Thailand: 1800-1830 and 2000-2030 hours.

5. Voice of Phnom Penh Radio Station:

Frequency: 4,900 kHz. Wave length: 61.22 m.

Output: approximately 10 kw.

Reception times in Thailand: 0600-0700, 1100-1200 and 1800-2100 hours.

6. Voice of Laos Radio Station (Thai language version)

Frequency: 7,185 kHz. Wave length: 41.75 m.

Output: approximately 10 kw.

7. Voice of Laos Radio Station (Vientiane)

Frequency: 6,130 kHz. Wave length: 48.94 m.

Output: approximately 10 kw.

Reception times in Thailand: 0700-0730, 1230-1300 and 1900-1930 hours.

8. The National Radio (Laos):

Frequency: 7,310 kHz (7,310, 4,660 kHz). Wave length: 41.039 m (41,039 and 64.38 m).

Output: approximately 10 kw.

Reception times in Thailand: 0600-0630, 1115-1145 and 1730-1800 (2130-2200) hours.

From the list of radio stations given above, it can be seen that there are at least eight stations that broadcast programs in the Thai language in order to attack Thailand, spread propaganda and subvert Thailand's security.

The station that has made the strongest attacks on Thailand's security by urging the people to disobey the government is the Voice of the People of Thailand radio station, which has an output of 100 kw. Most of the programs broadcast by this station attack Thailand's internal activities. The Political Party of Thailand radio station was set up

just recently, and its operations are not yet well organized. Its propaganda line is similar to that of the Voice of the People of Thailand radio station. The Beijing station has an output of 100 kw. Its programs deal with international political activities rather than politics in Thailand and with the affairs of Communist China. It opposes the "S.P.A." and promotes peace based on the communist line. The three Lao stations, which are located in Xieng Khouang and Phong Saly, broadcast programs that deal with domestic matters and that attack Thailand, which is helping the right-wing and neutral Lao factions. The programs broadcast by the Hanoi radio station are similar in nature to those broadcast by the Beijing station. But what is important is that there is communication between the Vietnamese who moved from northern Thailand to northern Vietnam and the Vietnamese who still live in Thailand. Those in Vietnam tell how good things are and report the progress made by the communists.

From what has been said, it can be seen that we have enemies who use at least eight radio stations to attack us. Two of these stations have an output of 100 kw. The programs of these two stations can be picked up clearly anywhere in the country. Analyzing the broadcast times of the various stations, it can be seen that the programs are scheduled in such a way that Thais can listen to communist propaganda programs throughout almost the entire day. What is worse, Lao radio stations broadcast in the Lao language. People in northeastern Thailand can understand these programs and like to listen to them since they believe that that is their language. An important question that should be discussed is, Has Thailand taken adequate defensive and retaliatory measures?

The propaganda methods used by the communists against Thailand can be summarized as follows:

1. They do not mention those things for which people have great respect. The propaganda of the communists is based on detailed studies on the target people. They study the people's habits, customs and beliefs so that the propaganda broadcast to the target people will be highly effective. Thus, in the propaganda broadcast to the Thai people, the communists have tried to avoid criticizing certain institutions such as Buddhism and the monarchy that are deeply respected by Thais throughout the country. In those parts that deal with religion in general, even though the communists once said that religion "is a type of opium" and even though most communist countries have tried to eliminate religion since religion is viewed as a competitor to communism, in the case of Thailand, the communists feel that it would be counterproductive to criticize Buddhism. The same is true for the monarchy. The communists realize that the monarchy is respected by the Thai people and that they regard it as a rallying point for national solidarity. Thus, they have tried not to touch on these institutions. At present, they are just waiting until they seize power in Thailand before destroying these institutions. They are beginning to take action now.

2. They try to profit from the troubles of the people and the conflicts in bureaucratic circles. The poverty and problems of the people stemming from drought and other natural disasters such as floods are often targets of communist propaganda. The communists use this to attack the government. They say that the government has not given attention to such matters and that the leaders of the country are engrossed in seeking personal happiness. The communists say that the conflicts between important people in bureaucratic circles, such as between ministers or senior military officers, stem from conflicts over personal profits. The communists constantly listen for such stories in order to use them in their propaganda.

3. Heavy stress is placed on corruption, oppression of the people, being the military aggressor and being the underling of the United States. The communists are always on the lookout for anything unusual whenever government officials call for bids or hire people. They watch for instances in which government officials hold positions in state enterprises or banks and for involvement by government officials in the activities of companies. There has been much communist propaganda condemning the government for such things.

As for instances in which people have been oppressed, the communists have charged that the Thai government oppresses and uses force to suppress the people. They have turned the intentions of the Thai government into the opposite of what was intended. For example, the construction of highways to help develop the northeast has been pictured as an attempt to suppress the people. In the view of the communists, the people are on the side of the communists. The prohibition on felling trees in the forest preserves in order to save a national resource has been portrayed as persecution of the people.

As for the charge that Thailand is not a democratic country, the focus is on the [government's refusal] to end martial law. Actually, the communists are enemies of parliamentary democracy. Thus, such charges by the communists are a sham. And they want to fool people into thinking that the communists support democracy. But actually, they make such statements only for their propaganda value.

As for the charges that Thailand is the military aggressor and that it is the underling of the United States, these matters are really one and the same. That is, the United States is an important ideological foe of the communists since it is the leader of the capitalists. According to communist theory, capitalism means invading other countries in order to obtain trade markets and colonies. Thus, because Thailand cooperates with the United States, Thailand has been branded as an aggressor. The communists watch to see what measures Thailand takes to defend the country. Every time, they condemn Thailand for increasing its defense budget no matter how small the increase.

4. Propaganda activities are carried on at several levels and among various groups. Communist propaganda activities are carried on at the level of intellectuals and at the level of the uneducated. The things discussed and the methods used are different for the two levels. There are several target groups. For example, at present, these include instructors, students, reporters, laborers, farmers and women. Recently, the communists have taken a greater interest in women.

Government Anti-Communist Activities

To oppose the enemy's activities, the government is waging a psychological war. The government is doing the following:

1. The government is trying to find a way to improve the people's morale by resolutely suppressing the terrorists and protecting the honest people. It has established communist suppression centers. Zones of operation have been delineated in the northeast and south. Soldiers, police officials and administrative officials are being used.
2. The government is providing help on the development front. It has established regional development committees. Besides this, it has carried on development activities in specific localities. For example, it has formed mobile development units composed of military officials, administrative officials and experts in various fields. These units have been sent to various villages to provide help. They have built roads, dug wells, established clinics and shown the people ways to earn a living in these localities. The purpose is to make the people realize that the government has not abandoned them and that they are Thai citizens who have the same rights as Thais living in the capital. The activities of the mobile development units are aimed at making the people understand the government's good intentions in developing the country and improving the people's standard of living. To date, the government has carried on such activities in several places such as Kalasin, Sakon Nakhon, Nakhon Phanom, Yala, Narathiwat, Pattani, Nong Khai, Loei, Nan, Utaradit and Satun provinces.

Besides this, the ministries of interior, agriculture, public health and education, the Department of Rural Development and the Public Welfare Department have given help to the people based on their powers and duties.

3. The government has provided the people with correct information. That is, it has disseminated information using public relations methods and told the people the truth. It realizes that in the northeast, particularly in places where terrible things have happened, few of the people know the true story. And the terrorists have tried to incite them [to take action]. Thus, it is easy for them to misunderstand the government. It is essential that the people receive correct information. In general, such work is the responsibility of the Department of Public Relations. But other government units, particularly administrative officials and army, navy and air force personnel, are engaged in this, too, since

they are stationed throughout the country. When news reports are released from the center, they are disseminated to the regions and provinces. From the provinces, the reports go to the districts, subdistricts and villages. If these units receive official reports quickly and keep the people informed, this will benefit the people in the provinces and greatly benefit administration.

Department of Public Relations Opposition to Communist Propaganda

At present, many sectors such as the Department of Public Relations, the Psychological Warfare Division, the Directorate of Joint Operations, the Communist Suppression Command and the National Security Command Headquarters are cooperating in opposing and responding to communist propaganda. Here, we will discuss only the activities of the Department of Public Relations.

In response to the propaganda disseminated by the communists, the Department of Public Relations has been carrying on activities for several years now. However, it has carried on well-organized radio and theatrical activities only during the past year. But at present, because the communist threat has grown worse, the Department of Public Relations has improved these activities. It has had officials study special documents and produce anti-communist articles.

The radio articles can be divided as follows:

1. Articles prepared in response to specific pieces of communist propaganda aimed at Thailand directly.

2. Articles to disseminate information on the evils and dangers of communism and on events in communist countries.

These two types of articles are prepared for two levels. The intellectual level refers to instructors, students and educated people in general. The second level is the level of villagers or uneducated people. For the latter group, the content of the articles and the vocabulary used are kept simple. Each week, two-three of these articles are broadcast by the Voice of Thailand radio and the radio stations operated by the Department of Public Relations. Besides that, these articles are sent to at least 30 radio stations of other government units in both Bangkok and the provinces. In order to achieve greater results in the provinces, the Department of Public Relations radio station in Khon Kaen broadcasts these articles in the northeastern dialect.

3. Short anti-communist articles that are broadcast on radio and television every day.

After these articles have been broadcast, the Department of Public Relations publishes collections of these articles in book form for widespread distribution. This increases people's knowledge about the communist threat facing the country.

It should also be mentioned that in preparing these articles, the Department of Public Relations places greatest emphasis on events that happen near or in Thailand. An example is the communists' charge that the government is building roads in the northeast in order to suppress the people. Another is the communists' condemnation [of the government] for increasing Thailand's military budget.

All three of these are "defensive" activities. The purpose is to keep people from misunderstanding things and prevent killing, such as in Laos and Vietnam. Very little has been done to launch a "counter offensive" since more "material" and equipment is needed if good results are to be achieved.

Radio Programs For Hill Tribes

It is well known that the communists carry on subversive and propaganda activities using every means possible. Propaganda aimed at the hill tribes along Thailand's northern border is an important matter. These hill tribesmen have very little to cling to psychologically, and they are not loyal to anyone. They will lean toward anyone who helps make it easier for them to make a living and who gives them money. This is a critical matter for the nation's security. However, the government is aware of this and has given the Department of Public Relations the task of countering communist propaganda aimed at the hill tribes. The Department of Public Relations has been engaged in this for about 7 years now. It uses a 10 kw radio station in Lambang Province to broadcast special programs for the hill tribes. Programs in the hill tribe languages and hill tribe music are broadcast twice a week.

The United States has given the Department of Public Relations a 100 kw transmitter for broadcasting programs to the hill tribes. In particular, the programs will be broadcast in five languages, that is, in the Meo, Yao, Karen, Muser and Liso languages, on a daily basis. There is also the 50 kw Voice of Thailand radio station in Chiang Rai Province. It, too, counters [communist propaganda] by regularly broadcasting programs in the Shan and Meo languages. The 10 kw VOT radio station in Tak Province and the 50 kw VOT radio station in Phitsanulok Province broadcast programs in the Meo language on a daily basis.

Entertainment Programs to Counter [Communist Propaganda]

Besides the radio commentaries, the Department of Public Relations also broadcasts 30-minute plays to counter communist propaganda. These are broadcast by the VOT daily except Saturdays and Sundays. Besides this, special 1-hour plays are broadcast once a month.

In the northeast, musical programs are broadcast in between the counter propaganda programs. These programs are very popular. Thus, programs of local interest, such as local songs, should be broadcast in other regions, too.

Furthermore, the Department of Public Relations is preparing to broadcast anti-communist "luk thung" songs. It is thought that these will be popular and achieve good results. Because composers and counterpropaganda experts were used to compose the songs.

The Mobile Propaganda Units

In addition to the radio commentaries and entertainment, the Department of Public Relations also uses mobile propaganda teams to counter communist propaganda. These units are sent to carry on activities in remote areas or to areas where the communists are active. These mobile propaganda units distribute anti-communist documents that have been produced by the Department of Public Relations or that have been obtained from friendly countries. They also distribute pictures of the king and of the Emerald Buddha and answer the questions of the people. They show movies on the things that the government has done on behalf of the people.

Besides the activities carried on by the department's mobile propaganda teams, the department also relies on receiving good cooperation from the students attending Department of Public Relations schools who have gone to these localities for field training. The activities of these students are very broad, and they have achieved good results in countering communist influence.

Besides this, Department of Public Relations officials regularly participate in similar activities of the National Security Command Headquarters.

Another important government unit that is engaged in anti-communist psychological warfare activities is the Internal Security Operations Command (ISOC). It has implemented the following counter propaganda programs in order to deal with the enemy:

1. The Thamprathip program:

1. Objectives: To keep Buddhism safe from the communist threat and to have monks instruct those who engage in improper behavior and who support the communist terrorists and get them to become good citizens again.

B. Activities: Somdet Phra Wannarat was appointed to work with ISOC psyop officials in coordinating things with the provincial and district ecclesiastical governors so that they know how to provide training and can select monks who are qualified to receive training and carry on activities similar to those of the Thammathut Program.

C. Results: This has helped win the hearts and minds of the people. At present, such activities are being carried on everywhere.

2. The field trip program:

A. Objectives: To increase people's confidence in the government's administrative system, to get people to see the progress made by the country and to help generate greater admiration, particularly among those who have been misled.

B. Activities: Arrangements have been made for people to meet important people, visit government installations, listen to lectures and [see] the military might of the Thai military.

C. Results: Those who have participated have received ideas and seen the truth. This has erased the effects of the communist propaganda. When they return home, they tell the truth to others. This has helped reform those who had been misled.

3. The training program:

A. Objectives: To have government officials become aware of their weaknesses and to make them realize what should be done and what ideas should be used to counter [communist] propaganda.

B. Activities: Training seminars have been held and classes have been opened for various echelon psyop officials. Activities have been carried on in cooperation with other government sectors, and financial support has been provided. Officials have conducted training seminars holding to the policies and lines of the ISOC.

C. Results: Officials understand and see the importance of the activities. They have disseminated this knowledge and these ideas, and this has resulted in the suppression activities achieving better results.

4. The program to increase patriotism:

A. Objectives: To encourage youths to show solidarity and help them develop a correct understanding of Thai traditions and customs, which is important for the future of the country; to help those who have experienced troubles and suffered disasters; to popularize the good actions of the communist suppression officials; and to encourage nationalism, which is like a suit of armor to provide protection against subversion.

B. Activities: Television and radio programs have been prepared. There have been programs at places of entertainment and at various other public places. Virtuous people have been interviewed, and units that have done a good job have been commended.

Results: Most people feel that these programs have benefited the youths and interested them. Good behavior, solidarity and the development of the group have facilitated suppressing the communist terrorists.

5. Program 303, use of the mass media:

Objectives: To disseminate information on the threat posed by the communist terrorists and create proper understanding among the people by relying on the mass media directly and indirectly.

b. Activities: Articles have been written and published in the newspapers. Study and poetry competitions have been held. Documents have been disseminated. Prizes have been awarded to encourage the people and students to study things and think and get them to oppose the communist terrorists. These things help foster a [spirit of] sacrifice and solidarity.

C. Results: Reporters have written factual reports. They are aware of the threat posed by the communist terrorists, and they are helping carry on public relations activities to inform the people about communist terrorist suppression activities.

6. Program 323, the radio campaign:

A. Objectives: To block communist propaganda and inform the Thai people of the truth so that they are not misled, to give pleasure, to build solidarity and foster patriotism and [respect for] religion and monarchy and to generate perseverance in earning a living.

B. Activities: The 33 radio stations throughout Thailand have broadcast 30-minute programs each day. These consist of musical programs, feature programs and radio dramas. Prizes are given to people who suggest programs. This is done to generate interest.

C. Results: People now have a better understanding of the threat of subversion posed by the communists who are active in Thailand today. More and more people are cooperating with government officials and suppression officials.

7. Psyop Program 343, propaganda campaign in the movie theaters:

A. Objectives: To get the people to cooperate with the government in developing the country; to have people love and honor the national heritage; to get people to see the threat posed by communist subversion so that they are not misled; to get the people to cooperate with the government and officials in suppressing the communist terrorists and getting communist terrorists to surrender; and to provide information to the people.

B. Activities: Slides have been made and given to movie theaters. The movie theaters show one set of four slides before the main movie. The slides are changed every 3 months.

C. Results: This has helped the people see the importance of the communist suppression and development activities. People have become jealous

of the national heritage, which has been of benefit in suppressing [the communists].

8. Psyop Program 353, television propaganda campaign:

A. The objectives and results are the same as for Psyop Program 343.

B. Activities: Programs have been prepared and broadcast on all television channels.

Films of lectures or interviews have been prepared. These 15-minute programs are shown once a month. Also, 30-minute television dramas are shown once a month. Stills (news slides) are shown 10 times a month. Slides are shown three times a day.

9. The program to drop leaflets and make broadcasts by air:

A. Objectives: To carry on activities based on the tactical targets in order to get the communist terrorists and misguided people to surrender.

B. Activities: Leaflets and tape recordings have been produced. Most are tactical leaflets. Aircraft and helicopters are used by units that need them for operations in areas that are difficult to reach.

C. Results: Many people have surrendered as a result of these activities. They surrendered because they learned the truth.

10. Program to form psyop teams:

A. Objectives: To support countering communist propaganda and get the communist terrorists and misguided people to return and cooperate with government officials by following the psyop policies of the ISOC and by assigning people to subordinate units that are in critical positions.

B. Activities: Fourteen psyop teams and nine mobile information teams have been formed. These teams have been equipped with audio-visual equipment and vehicles so that they can operate in remote villages. In carrying out their duties, these teams provide help and inform the people about the communist threat. They explain the government's policies to the people and tell them about the government's concern [for the people] and what it has done to help the people. They show movies, give performances, distribute leaflets, posters, printed materials, consumer goods, textbooks and stationery, appeal to the communist terrorists and misguided people to surrender and give medical advice.

C. Results: The people understand and are interested in these things, and they have warmly supported these activities. This is because government officials have never carried on such activities in remote areas. This is the first time that officials have been to many of these places.

After carrying on such activities, many units have seen the importance of the activities and have asked that such activities be stepped up. But the ISOC lacks audio-visual equipment and vehicles. It intends to procure more equipment and vehicles and expand this program.

11. The public relations program:

A. Objectives: To popularize the activities of the ISOC in coordination with the Thai and foreign mass media and to show the activities of the ISOC.

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CSO: 4207/167

THAILAND

ATHIT LUNCHES WITH NEWLY APPOINTED ARMY SENATORS

BK020252 Bangkok THE NATION REVIEW in English 2 May 85 p 3

[Excerpts] Supreme Commander Gen Athit Kamlang-ek yesterday had lunch with a group of army officers who were recently appointed to the Senate. The army officers are among the Chulachomklao Royal Military Academy's Class Five graduates who command most of the army divisions.

Informed sources said that the army officers were invited to a lunch at the Capital Security Command.

The lunch lasted about one hour, according to the sources.

"It was exclusively for Class Five military officers who were just appointed to the Senate," one of the sources said.

An army officer who attended the lunch told THE NATION that Gen Athit only wanted to congratulate them on their appointment. "There was nothing more to that," he added.

However, an informed source said that the supreme commander invited the army officers to the lunch because he wanted a reaffirmation that they still supported him. Class Five army officers are regarded as a military base for Prime Minister Prem Tinsulanon.

"The atmosphere was very good and both sides appeared to understand each other well," he said.

CSO: 4200/895

THAILAND

SENATE WHIPS INCLUDE SENIOR MILITARY OFFICERS

BK010219 Bangkok THE NATION REVIEW in English 1 May 85 p 2

[Excerpts] The senate whips agreed unanimously yesterday to nominate Dr Ukrit Mongkhonnawin for re-election as senate speaker and president of Parliament in the first session of the Senate today, informed sources told THE NATION.

The decision was reached during a meeting of the Senate whips chaired by Deputy Prime Minister Gen Prachuap Suntharangkun in his capacity as chairman of the Senate coordinating committee.

The sources said the Senate whips, comprising largely of senior military men, also agreed that Gen Som Khattaphan and Siri Atipho be nominated for reelection as first and second deputy Senate speakers.

The meeting was held at the supreme command headquarters and lasted from 3 p.m. to 4 p.m., the sources said.

Among the Senate whips present at yesterday's meeting are Armed Forces Chief-of-Staff Gen Pathom Soemsin; Deputy Army Commander-in-Chief Gen Thianchai Sirisamphan; Army Chief-of-Staff Gen Banchop Bunnak; Air Force Commander-in-Chief ACM [Air Chief Marshal] Praphan Thupatemi; Air Force Chief-of-Staff ACM Somphon Burutrattanaphan; Navy Commander-in-Chief Adm Nippon Sirithon; Navy Chief-of-Staff Adm Prathuang Wonchan; Police Director General Pol Gen Narong Mahanon; Ministers of the PM's [Prime Minister's] Office Dr Kramon Thongtham-machat, Mechai Ruchuphan and Chan Mantham.

CSO: 4200/893

17 May 1985

THAILAND

PRAPHAN '100 PERCENT CONFIDENT' ON F-16 SALE

BK300051 Bangkok THE NATION REVIEW in English 30 Apr 85 pp 1, 2

[Text] On the eve of the deadline for U.S. Congressional review today, Air Force Commander-in-Chief ACM Praphan Thupatemi said yesterday that he was "100 percent confident" that the U.S. Government will sell the sophisticated F-16 jetfighters to Thailand.

The 30-day period of congressional review, which began 1 April, expires today. The U.S. Congress received formal notification from the White House on the Letter of Offer and Acceptance (LOA) in early March. However, the U.S. Government will be able to make the sale decision after 30 days' of notification of Congress. The 30-day waiting period normally is preceded by an informal 20-day period, during which Members of Congress have the chance to object to the sale of the aircraft before it is announced officially.

Praphan said that for the time being, Thailand will buy only 12 jetfighters with a budget of 800-900 million baht, payable within five years.

After the signing of the LOA, Praphan added, the jetfighters will be delivered to Thailand within 30-36 months. "We are, however, trying to negotiate with the U.S. Government to have them delivered to us within 30 months," the air force chief said.

Sometime during the first week of May, if the period of congressional review passes without objection or a motion to kill the sale by Members of Congress, The Thai Government will receive a signed LOA from a senior U.S. official responsible for logistics. An informed source said that the signing of the sale will take place within the next week.

On the sale of the F-16's, President Reagan recently sent a letter assuring Prime Minister Prem Tinsulanon that U.S. support is "solid." He also said that he had asked both the secretaries of state and defence to provide a good financial deal for Thai purchases of military equipment from the U.S.

Payment for the aircraft will be discussed in detail after the signing with the U.S. Government, Praphan said, according to the budget allocated by the government.

Observers said that the sale of the F-16's is primarily aimed at boosting Thailand's defence capability because of Vietnam's growing military power. "The Vietnamese aggression toward Thailand did have some effect on key congressional leaders. But, with or without Vietnamese incursions, the U.S. would sell the jetfighters to Thailand anyway. A few years from now, the F-16 will not be considered a sophisticated aircraft," said another source.

CSO: 4200/895

THAILAND

BRIEFS

FRG GRANT FOR PROJECTS--The FRG is helping develop water resources for Thai villagers situated along the Thai-Kampuchean border. An accelerated rural development official said the FRG Government has provided a grant aid of 30 million baht to develop seven self-defense border villages in Prachin Buri Province. He said that most of these villages are facing water shortage, both for agriculture and consumption. According to the official, 28 artesian wells have been dredged so far. Besides, a large pond, costing 780,000 baht will be completed within this May. The FRG Government is also considering constructing a reservoir on an area of 1,000 rai to store water for agricultural use in the dry season. Four roads with a combined range of 230 km connecting those border villages will be also repaired with the FRG assistance. [Summary] [Bangkok Domestic Service in English 0000 GMT 30 Apr 85 BK]

AIRCRAFT MAINTENANCE CENTER--Thai Airways International celebrated its 25th anniversary yesterday with the opening of a 2,000 million baht wide-bodied aircraft maintenance centre at Bangkok International Airport. The gigantic maintenance centre, which took about three years to complete, was officially opened by Prime Minister Prem Tinsulanon. According to Thai President Chanya Sukhontasap, the airline hired Ramboell & Hannemann of Denmark as its engineering consultant, Christiani & Nielsen as the contractor and sought cooperation from Scandinavian Airline System for technical knowhow, including advice for the purchase of equipment to set up the centre. [Excerpt] [Bangkok BANGKOK POST in English 2 May 85 p 15 BK]

CROWN PRINCE REPORTED HOSPITALIZED--His Royal Highness Crown Prince Maha Wachiralongkon has cancelled all public engagements due to an illness, it was reported yesterday. The Crown Prince was admitted to Wichaiyut Hospital on Rama VI Road in Dusit District three days ago and his condition is reported to be satisfactory, informed sources at the hospital said last night. [Text] [Bangkok BANGKOK POST in English 3 May 85 p 1 BK]

ENVOY TO GAMBIA--The Cabinet was informed yesterday that Thai Ambassador to Senegal Prasoet Mat-udi has also been appointed ambassador to Gambia. [Text] [Bangkok THE NATION REVIEW in English 1 May 85 p 2 BK]

ASEAN DEVELOPMENT BANK LOAN--Thailand this year will get loans totalling US\$250 million [all figures as published] (about 8,000 million baht) from the Asian Development Bank (ABD) to finance three development projects, Finance Minister Sommai Huntrakun said yesterday. He said US\$130.9 million will be for the Metropolitan Water Works Authority to boost its potable water production. Another US\$73 million will be for expansions of telephone service in the rural areas by the Telephone Organization of Thailand. He said the rest of US\$38 million will be for development of slums in Bangkok. [Text] [Bangkok THE NATION REVIEW in English 29 Apr 85 p 1 BK]

TRADE AGREEMENT WITH FINLAND--Thailand and Finland today signed an agreement on the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. The agreement was signed by Deputy Thai Foreign Minister 2d Lieutenant Praphat Limpraphan on behalf of the Thai Government and visiting Finnish Foreign Trade Minister Jermu Laine on behalf of the Finnish Government. The accord will promote bilateral trade, investment, and economic relations between the two countries. [Summary] [Bangkok Voice of Free Asia in Thai 1030 GMT 25 Apr 85 BK]

SENATE CONVENES, ELECTS UKRIT SPEAKER--At 0930 today the senate convened its first ordinary session for 1985 at the National Assembly Building under the temporary chairmanship of Senior Senator Sukhum Thirawat. After the meeting acknowledged the resignation of the senate speaker and deputy speakers and the newly appointed 76 senators were sworn in, the new senate speaker and deputies were elected. The meeting unanimously elected Ukrit Mongkhonnawin senate speaker and General Som Khattaphan and Siri Atipho first and second deputy speakers respectively. [Text] [Bangkok Domestic Service in Thai 0530 GMT 1 May 85 BK]

CSO: 4207/197

WESTERN SOMOA

BRIEFS

U.S. NUCLEAR WARSHIP VISIT ALLOWED--Western Samoa is sticking to its decision to allow a visit this week from an American nuclear-powered warship, the U.S.S. Texas, a frigate, which [words indistinct]. The prime ministry, Mr Eti, says he's had talks about the visit with the New Zealand High Commissioner (Michael Masefield), but he would not disclose what Mr (Masefield) had to say. The prime minister says his government's decision to allow a visit by the Texas [words indistinct]. The Texas will be at Apia for 2 days [words indistinct]. [Text] [Wellington Overseas Service in English 0600 GMT 1 May 85 HK]

CSO: 4200/880

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

REFUGEES TOLD TO FIGHT BUT SELL WEAPONS TO TRAFFICKERS

Bangkok THAI RAT in Thai 12 Feb 85 pp 1, 2, 16

[Article: "ASEAN Affirms Support for Khmer Coalition Forces"]

[Excerpts] A senior Thai military officer told reporters that the military knows about this and feels that it is good that ASEAN joined forces like this. This shows that ASEAN is united. It shows that when there is a threat to peace, the six ASEAN countries will join together and wage a fierce struggle. ASEAN's communique condemning Vietnam shows that ASEAN is united. The fact that ASEAN has shown such solidarity is a foreign affairs victory for Thailand. This will definitely give hope to the Cambodian people's struggle for independence and help make this a reality.

This senior officer said that Vietnam has committed huge forces to the battle in Cambodia. It is using heavy weapons to wipe out the Cambodian people. The Vietnamese are killing women, children and old people. At the same time, the Cambodian people are refusing to surrender. Even though they do not have heavy weapons, the Cambodian people are fighting resolutely. Vietnam cannot do anything. If the Cambodian people receive better weapons than those they now have, they will definitely have a chance of winning.

This senior officer said that one thing that is just as important as weapons is that the Khmer coalition leaders should visit the refugee camps in order to raise the morale of their people in the struggle to liberate the country. Because the Cambodian people who have fled to the refugee camps include many young women and men. People whom these people respect should come and talk to them and persuade them to return home and help liberate the country. To gain independence, all factions will have to unite. There will be very few people to fight if all the knowledgeable and talented people flee abroad. If all the people work together, there will be strong forces.

This officer said that those who flee abroad to work as laborers will not have any honor if they do not have a country. They should be persuaded to return. Those living in the refugee camps under the control of the UNHCR should be talked to in order to get them to feel sympathy for

the country and make them understand that only the Cambodian people can liberate the country. They should also talk to the refugees who are not living in the U.N. camps.

Mr Nawin Khanthahiran, the district officer in Aranyaprathet District, talked with reporters at noon on 11 February. He said that at 0530 hours, he and Mr Thawatchai Thammarak, the deputy district officer for suppression, and Police Cpt Phairot Chandi, the commander of Border Patrol Police Unit 3, led a force to Ban Saensuk in Khlong Namsai Subdistrict. It had been learned that merchants used this village to purchase various types of weapons in order to resell them in northern Thailand.

In a field in front of the village, they found a shed that looked suspicious and so they looked inside. They found 19 82mm mortar rounds, which they confiscated. But they did not catch the owner of these rounds.

Mr Nawin said that financiers purchase 82mm rounds from villagers who purchase them in Cambodia for 300 baht per round and then sell them in northern Thailand for 2,000 baht per round. About 2-3 days ago, they found 9,000 rounds of AK ammunition in this same village. This was only a fraction of the ammunition. Usually, the ammunition is smuggled into Aranyaprathet and then transported to the north, where it is purchased by foreign forces. However, officials are making a great effort to intercept these weapons.

11943

CSO: 4207/178

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

KPNLF COMMUNITY, CONTACTS WITH PRK, SECURITY DESCRIBED

Bangkok THE NATION REVIEW in English 10 Apr 85 p 5

[Text]

TA PHRAYA — As determined as the Vietnamese forces are to wipe out all the Khmer resistance forces along the Thai-Kampuchean border, so are the Khmer civilians loyal to Son Sann also determined to live on. The sprawling camp at Site 6 is a living testimony to the Kampuchean refugees' determination to build up its community in the face of Vietnamese onslaughts.

After Ampil, the main camp of the Khmer People's National Liberation Front (KPNLF), was overrun by Vietnamese troops during the current fierce dry season offensive, the Khmer resistance movement lost its showcase of success. Ampil was a very important place not only as a symbol that the resistance movement was still intact and strong, but also as a place of Khmer culture and activities.

Before the Vietnamese takeover, Ampil had schools, a vocational training centre, a dance school, a woman's association and other important organizations which would have helped to preserve the Khmer's culture and values during their long years of struggle to liberate their country from Vietnamese occupation.

The new refugee camp called Site 6, which is located about two kilometres inside Thailand from the border, has gradually become the second Ampil, where Khmer refugees from Nong Chan camp, had joined hands in building up their camp into a throbbing and teeming entity worthy of a place in their history.

In November last year, when Site 6 was first set up, it was meant to be a temporary sanctuary for the Kampuchean refugees fleeing the artillery bombardments of the Vietnamese forces. And it was hoped that as soon as the current dry season offensive stopped they would return to their former camp grounds.

But as it turned out after the fifth month of the offensive, the Vietnamese forces were still trying to recapture Nong Chan camp making the return of these refugees to their base impossible.

As the Kampuchean refugees wait for the return to their homeland, they have continued to build up their camps. Four months ago, Site 6 was only a place dotted with plastic shelters, administrative offices, elementary schools, an art centre for Khmer culture and basketball and volleyball playgrounds.

Chhay Kim Hour, civilian administrator of Site 6 said that the basic necessities are provided by international relief organizations, but most of the semi-permanent constructions inside the camp compound were built by the Khmer refugees themselves. Some of the materials, such as wood were sometimes brought in from inside Kampuchea to enhance the Kampuchean's feelings for home.

"Most of the refugees living here think that they are pioneers who had moved into a new land and had started to set up houses and other facilities," Kim Hour said.

He added that the development inside Site 6 is far from finished. He said most of the shelters still are too close to each other, which could be a fire hazard, or if any Vietnamese artillery shells fall inside the camp, the explosions could set fire to the camp's shelter units because they are made of light materials.

With a total 24,516 refugees inside the camp, it is important that some sort of law and order be strictly imposed. According to Kim Hour, there are currently about 30 police, who are dressed like soldiers and well-armed, patrolling the camp compound 24 hours a day to provide

maximum security for the refugees. He also said that the existing security forces are not sufficient, so additional civilian volunteers were recruited.

Most of the crimes committed so far within the camp have been petty theft. Kim Hour said that when robbers are arrested they are sentenced to hard labour for a certain period such as cleaning the camp to help the community.

However, he said, for more serious crimes like homicide or espionage the Thai military would be called in for further investigation. The punishment for these is detention.

Even though life inside the camp is not all that pleasant they are provided with all basic necessities for a comfortable living. Kim Hour said with such basic facilities, the camp has also attracted many refugees from inside Kampuchea who are looking for consumer products, and in many cases for their lost relatives. "Some of these refugees came here risking their lives in looking for food and other goods which are impossible to find in the interior," he said.

Such regular contacts between Kampucheans under the Heng Samrin regime and refugees inside the camp have given birth to marketplaces, where large amounts of consumer products exchange hands. Kim Hour admitted that it would be difficult to eradicate the marketplaces. "Refugees said that they use the marketplace as a

point to contact their relatives living inside Kampuchea," he added.

Since most of the Kampuchean refugees are Buddhists, one of the most important landmarks inside Site 6 is the temple. Ordinary rituals such as for birth or death still need the presence of monks, and within the camp ground Kampucheans also offer food and other alms to monks.

There is also a make-shift mosque which is used by about 850 Kampuchean Muslims as a prayer ground. Recently, officials from the Islamic Development Bank, for the first time, has provided some humanitarian aid to the Muslim community living here. They were given some Koran holy books and other necessities such as pots and pans.

So far, those who have stayed in Site 6 have continued to live there. As the Vietnamese troops are still trying to recapture several camps along the Thai-Kampuchean border, there was a report that the UNBRO might move the 24,000 refugees from Site 6 to a safe place called "Somboun Hill" about 2 kms further to the west.

These refugees will return as soon as the Vietnamese dry season offensive ends. But the prospect is dim because of the continuous Vietnamese artillery shelling.

CSO: 4200/865

PEOPLE'S REPUBLIC OF KAMPUCHEA

ECONOMIC CONDITIONS, TAXES, PRICES, RELIGIOUS FREEDOM SEEN

Melbourne THE AGE in English 20 Mar 85 p 11

[Article by Michael Vickery]

[Text]

JUST a few kilometres outside Phnom Penh on Highway 1, the road to Saigon, we saw a woman seated beneath her traditional stilt-supported house at a hand loom and stopped to inquire about her work. She was making the red and white checkered *kroma*, a sarong-type cloth which all Cambodians use variously for head covering, bathing sarongs, or for wrapping possessions on trips.

She told us this was her full-time occupation, and after calculating the prices of her raw materials, the number of pieces she wove in a day and their price, it turned out that her monthly income was 1800 riels. This is \$120 at the official rate of exchange or \$36 in the free market, but the real significance of the figure is that it is more than three times the highest state salary and will buy 360 kilograms of rice, enough to feed 24 people for a month, or 40 kilograms of beef, or 90 kilograms of sugar.

A paradox in this officially socialist society in which the state lays claim to all land, all dwellings, and even all cars is that the economically favored are not state functionaries existing on salaries, but private traders and artisans, and probably farmers in the better agricultural areas.

In April 1980 a new Cambodian riel currency was introduced with the first money in circulation being salaries paid to state employees and state purchases of food and other local goods. The riel quickly supplanted the Vietnamese dong and Thai baht which had held sway during 1979, and it is now used for all transactions among Cambodians, although foreigners must pay hotel bills in foreign currency.

Salaries were originally set very low, undoubtedly for the dual purpose of checking inflation, given the penury of goods, and to demonstrate that People's Republic of Kampuchea (PRK) officials, unlike those of Lon Nol or Sihanouk, were not meant to accumulate wealth solely by virtue of their positions. Since 1980 salaries have been raised twice and are now between 140 and 500 riels.

They have risen faster than the prices of most basic commodities, but are still so low that all agree it is impossible to live on them. Restaurant prices, for example, are about the riel equivalent of 1960s prices, whereas salaries are a 10th of the earlier level.

The low salaries emphasise one of the important points made in the frequent political education sessions which all state employees must attend. They are considered as cadres who are to serve the people and the country, not use their places in the system to become a privileged class. Thus the spread in pay between experienced workers and their bosses is small, and the director of a pharmaceutical factory told me his skilled employees with bonuses and family allowances may take home more pay than he does.

The ideological point is well made in a country with Cambodia's past, but there may be some sacrifice in efficiency, since everyone must engage in extra-income producing activity, even if it is only resale on the free market of part of their subsidised rations of kerosene, cigarettes, soap, rice, condensed milk and sugar. Nearly all officials also maintain personal vegetable gardens, as do schools and Buddhist temples, worked by pupils and monks, and these, in addition to supplying cheap food, serve to keep urban inhabitants aware of rural realities.

There is as yet no state-operated market, and Phnom Penh's former central market stands newly painted but empty, awaiting the day when the Government feels confident of controlling commerce, which may be years in the future. At present the city is served by four large private markets in which the only local goods are food, traditional textiles and pre-war secondhand books.

The most important market function is to supply foreign products, most of which are smuggled across the Thai border, and in Phnom Penh's markets one can find nearly everything that would be available in well-stocked Bangkok stores, from household wares to medicines to late-model tape recorders, stereos and radios.

Such private activity, including the smuggling at the border, is tolerated because Cambodia is unable to produce many essentials, and the poor relations with Western neighbors make state-organised import unfeasible.

The markets, for example, supply medicines one of the country's most serious deficiencies. A doctor at one of the largest hospitals told me that they often have to send patients to the markets for prescribed drugs instead of supplying them free, even though the quality is uncontrollable and counterfeit drugs have occasionally caused deaths. Of course many unessential, even frivolous, items come in along with the essentials, but any attempt to exert more control would generate discontent which the country can ill afford and would also cut off the more essential items.

Indeed, the PRK often seems reluctant to impose even ordinary measures of authority for fear of alienating a population sickened by authoritarian regimes over the past 20 years. This has been a boon for one large sector of the Phnom Penh market trade, the dealers in secondhand books, who in large measure are retailing stolen goods taken from libraries and archives when population flowed back into the city during the transition from Pol Pot to the PRK in 1979. The Government does not attempt to reclaim even those volumes stamped as ministerial property.

One side-effect of the reliance on the free market for foreign consumer goods is a very large degree of freedom to travel toward the Thai border, which makes escape very easy for those who wish to defect and become refugees in Thailand. The continuing necessity for cross-border trade indicates that the construction of barriers and roads along the Thai border is probably more for defence against infiltration of enemy forces than to contain the population in the manner of the Berlin Wall.

Only in 1983 did the Government begin to exert some direct control over the market by the introduction of taxes, termed "patriotic contributions", levied on traders, private artisans, farmers and semi-private concerns such as restaurants. Each market stall pays a daily two-riel municipal fee destined for the upkeep of the markets, and since 1981 there has been a noticeable improvement in organisation and neatness.

In addition, the state collects taxes ranging from 90 riels a month for bookstalls to 180 for rice dealers, with wealthy silver and gold shops paying 320 and 1000 riels respectively.

After the war of 1970-75 and the destructive Pol Pot period (1975-79) nearly everything must be rebuilt or repaired, and skilled artisans have virtually unlimited opportunities. The streets are filled with all manner of repair shops for old watches, radios, cameras and tape recorders. Refrigerators, pump motors and electrical tools are refurbished; and a recent development is shops to make new upholstery, rebuild old engines and smooth out the dented bodies of automobiles which escaped total destruction and are now being recovered and pieced together again.

Although there is no right of private ownership, possession and use, like other infringements of regulations, are tolerated. One proud survivor I saw was a 1960s Lancia, the recently beaten-out dents still faintly visible, being fitted with number plates on a Phnom Penh street.

One artisanal activity particularly important within Cambodia's culture, and for which there is a special demand after the suppression of religion during 1975-79, is the making of Buddha images for installation in temples. In the courtyard of a Phnom Penh temple I found a group of 13 private artisans, turning out moulded concrete images of the Buddha in several sizes and traditional poses. The images are sold, generally to private persons who donate them to temples, and the prices range from 400-700 riels, more than a high level monthly state salary. Taxes are 130-160 riels monthly, less than half the price of the least expensive product.

When the PRK came to power in 1979 one of its promises was the restoration of Buddhism, a promise which has been kept. Temples have been reopened and repaired, monks ordained and traditional festivals revived.

My visit coincided with the kathen month, during which congregations present new robes and other necessities to monks or contribute to construction and repair of temples. All over Phnom Penh groups of private citizens set up colorful stalls to collect cash contributions to

kathen funds, and in three localities outside Phnom Penh I witnessed the arrival of kathen groups at temples where the festivities were just as in pre-war times.

One difference in line with PRK priorities is that the kathen festivals are advertised as donations for construction of schools in temple precincts rather than for strictly religious activities.

There are also some limits due to the country's precarious economic situation. Men under 50 are not supposed to be ordained, as they are needed in productive work, but exceptions are seen. Where several temples are clustered in wealthy neighborhoods only one now functions, and temples which once held 20-30 monks are limited to four or five.

Traditional Cambodia is slowly recovering with considerable relaxation of socialist regulations, which reflects the influence of Vietnamese pragmatism and the need for the PRK leadership to gain the confidence of a population which viewed them with suspicion before 1979.

CSO: 4200/866

PEOPLE'S REPUBLIC OF KAMPUCHEA

LEADERS GREET SRV ON ANNIVERSARY

BK300712 Phnom Penh Domestic Service in Cambodian 2300 GMT 29 Apr 85

[Greetings message from Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK Council of State; Chea Sim, chairman of the National Assembly; and Hun Sen, chairman of the Council of Ministers, to Le Duan, general secretary of the CPV Central Committee; Truong Chinh, chairman of the Council of State; Pham Van Dong, chairman of the Council of Ministers; and Nguyen Huu Tho, chairman of the National Assembly of the SRV--date not given]

[Text] On behalf of the KPRP Central Committee, the National Assembly, the Council of State, the Council of Ministers of the PRK, and the Cambodian people throughout the country and in our own names, we are extremely pleased to extend to you and, through you, to the CPV Central Committee, the Council of State, the Council of Ministers, the National Assembly of the SRV, and the heroic fraternal Vietnamese people our deepest salutations, warmest congratulations, and best greetings.

The victory of 30 April 1975 is the fruition of the protracted and courageous struggle of the heroic Vietnamese people and their army in opposition to the U.S. imperialist aggressors. It opened a new chapter in the history of the Vietnamese revolution while ensuring the fraternal Vietnamese people's essential national rights. This splendid victory is an achievement of the national and democratic revolution of the people that permitted Vietnam to recover full national independence and to reunify the fatherland for the construction of authentic socialism.

The Cambodian people have noted with great admiration and pride the great successes that the heroic fraternal Vietnamese people and their army have won. The heroism displayed by the latter as well as their victory have powerfully encouraged the Cambodian people and the KPRAF in the struggle against the common enemies, the Beijing expansionist-hegemonists allied to the U.S. imperialists and other international reactionary forces, for the safeguarding of the national independence and the happiness of the people in Cambodia and Vietnam as well as for the cause of peace and stability in Indochina and Southeast Asia.

On this propitious occasion we express deep thanks to the Vietnamese party, government, and people and their army volunteers for providing both moral and

and material support and assistance to the Cambodian people and the KPRAF at all stages of the struggle against the U.S. imperialists and the Beijing expansionist-hegemonists for the defense and reconstruction of the Cambodian fatherland.

We wish the people and army of fraternal Vietnam, under the clear-sighted leadership of the CPV, more and still greater successes in frustrating all aggressive maneuvers of the Chinese expansionist-hegemonists in collusion with U.S. imperialism in order to build a prosperous society in the SRV.

May the relations of militant solidarity, special friendship, and all-round cooperation between the Cambodian and Vietnamese peoples and armies last forever, and may you comrades enjoy the best of health and more and greater successes in your noble tasks.

CSO: 4212/69

PEOPLE'S REPUBLIC OF KAMPUCHEA

HENG SAMRIN, HUN SEN GREET AFGHAN COUNTERPARTS

BK271250 Phnom Penh SPK in English 1128 GMT 27 Apr 85

[Text] Phnom Penh SPK 27 April--Kampuchean leaders have sent warmest greetings to their Afghan counterparts on the seventh anniversary of Afghanistan's April Revolution.

The greetings were contained in a joint message signed by Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council, and Hun Sen, chairman of the Council of Ministers, and addressed to Babrak Karmal, general secretary of the People's Democratic Party of Afghanistan and president of the Revolutionary Council of the People's Democratic of Afghanistan [as received], and Sultan Ali Keshtmand, chairman of the Council of Ministers.

The greetings were contained in a joint message signed by Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council, and Hun Sen, chairman of the Council of Ministers, and addressed to Babrak Karmal, general secretary of the People's Democratic Party of Afghanistan and president of the Revolutionary Council of the People's Democratic of Afghanistan [as received] and Sultans Ali Keshtmand, [words indistinct].

The message said that the April Revolution had brought the working people to power for the first time in Afghanistan's long history.

"Under the leadership of the People's Democratic Party of Afghanistan, the working people and the heroic army of Afghanistan rose up unanimously and put a complete end to the dictatorial regime of Daud on 27 April 1978. Thanks to the April Revolution Afghanistan was liberated from the oppression of feudalism and the influence of imperialism, and the people can live in a democratic, progressive and socialist regime," the message pointed out.

It condemned the imperialists' intervention and their scheme of reversing the course of history of Afghanistan. "The April Revolution will advance irresistibly and no force on earth can harm the sacred revolution of Afghanistan," it added.

The message expressed the belief that the relations of friendship and proletarian internationalism between the parties and peoples of Kampuchea and Afghanistan would further strengthen.

"Our best wishes for your well-being and success in all your noble tasks and for your greater victories in defending the April Revolution," the message concluded.

Hun Sen, as foreign minister, has also congratulated his Afghan counterpart, Shah Mohamed Dost, on the occasion.

CSO: 4200/851

PEOPLE'S REPUBLIC OF KAMPUCHEA

HUNGARIAN SOLIDARITY DELEGATION LEAVES

BK190324 Phnom Penh SPK in English 1133 GMT 18 Apr 85

[Text] Phnom Penh SPK 18 April--A delegation of the Hungarian Committee for Solidarity led by Dr Livia Deak, member of the Hungarian Socialist Workers' Party Central Committee and member of the Solidarity Committee, left Phnom Penh Tuesday, ending a 5-day visit to Kampuchea.

The delegation was seen off at Pochentong Airport by Men Sam-An, member, and president of the Commission for Propaganda and Education of the People's Revolutionary Party of Kampuchea Central Committee and other Kampuchean officials.

Lajos Karsai, Hungarian ambassador to Kampuchea was also on hand.

During its stay in Kampuchea, the delegation was received by Chea Sim, member of the Political Bureau of the KPRP Central Committee and chairman of both the National Assembly and the National Council of the United Front for Construction and Defence of the Kampuchean fatherland and Men Chhan, member of the State Council. It was also met with a delegation of the Kampuchean Committee for Afro-Asian peoples solidarity. The delegation visited the Hungarian-Kampuchea Friendship Orphanage at Kompong Kantuot in Kandal Province and other places.

CSO: 4200/851

17 May 1985

PEOPLE'S REPUBLIC OF KAMPUCHEA

AGRICULTURE REPORT FOR 22-28 APRIL

BK290720 [Editorial Report] Cambodian media carried the following reports on agricultural developments during the reporting period 22-28 April:

National level: Phnom Penh SPK in French at 1156 GMT on 24 April reports that at the beginning of this month, the Agriculture Ministry sent tractors to help plow some 700 hectares of ricefields in Siem Reap-Oddar Meanchey, Kompong Chhmang, Kandal, and the Phnom Penh suburbs. Since the beginning of the year, these tractors have helped plow a total of 29,340 hectares of ricefields for peasants in various regions of the country.

Prey Veng Province: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 22 April reports that peasants in Prey Veng District have planted 2,800 hectares of dry season rice, including 244 hectares of IR-36 variety.

Svay Rieng Province: According to Phnom Penh Domestic Service in Cambodian at 0430 GMT on 24 April, peasants in the province had transplanted 800 hectares of dry season rice by early April.

Pursat Province: The provincial trade service planned to purchase 20,000 metric tons of paddy from the peasants this year, according to Phnom Penh Radio at 1300 GMT on 27 April. By the end of the 2d week of April, it had purchased over 7,100 metric tons of paddy, the radio adds.

Takeo Province: Phnom Penh radio at 1300 GMT on 26 April notes that peasants in Samraong District have planted over 4,500 hectares of rice during the current dry season and are harvesting over 1,500 hectares with an average yield of 2 metric tons per hectare.

Kompong Thom Province: According to SPK in French at 0458 GMT on 26 April, last year Kompong Thom Province carried out 73 percent of its rice growing plan with 130,000 hectares. It also grew more than 4,000 hectares of subsidiary food crops. This year, the province has already surpassed its rice sale plan by 48 percent. Baray District alone sold the state more than 9,200 metric tons of paddy. During the same period, this province's fishery has brought in more than 4,620 metric tons, or 82.5 percent of the annual plan.

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BRIEFS

BULGARIAN DELEGATION LEAVES PHNOM PENH--Phnom Penh, 30 Apr (SPK)--The delegation of the Bulgarian subcommission led by chairman, Yanko Markov, minister of forests and forest industry, left Phnom Penh yesterday after attending the third session of the PRK-Bulgaria Intergovernmental Commission for Economic, Scientific, and Technical Cooperation. During their stay, Yanko Markov and his party were received by Chea Soth, Political Bureau member of the KPRP Central Committee, vice chairman of the Council of Ministers, and minister of planning. [Text] [Phnom Penh SPK in French 0430 GMT 30 Apr 85 BK]

SPK REPORTS THAI VIOLATIONS--Phnom Penh, 30 Apr (SPK)--During the week ending 25 April, seven Thai planes, including L-19's, A-37's, and F-5's, overflew Yeang Dangkum, Phnum Malai, Ampil, and the border region of Koh Kong 2 to 3 km inside Cambodian territory. At sea, 51 intrusions by the Thai Navy's vessels were recorded in the sectors between 8 and 30 nautical miles off Kong and Tang Islands. On the ground, Thailand fired 26 barrages of 105-mm artillery pieces and 120-mm, 100-mm, and 82-mm mortars on the sector east and west of Yeang Dangkum, Ta Sanh (Battambang), the terminus of Route 56, the western part of Smat Deng (Pursat), Hill 322 (Koh Kong), and the intersection of the Cambodia-Laos-Thailand borders (Preah Vihear). During the same week, Cambodian border guards put out of action 92 Cambodian reactionaries infiltrating into Cambodian territory for sabotage purposes and seized 37 rifles and other war materiel. [Text] [Phnom Penh SPK in French 0425 GMT 30 Apr 85 BK]

COOPERATION PROTOCOL SIGNED WITH BULGARIA--Phnom Penh, 29 Apr (SPK)--The minutes of the third session of the Cambodia-Bulgaria intergovernmental commission for economic, scientific, and technical cooperation were signed yesterday in Phnom Penh in the presence of Chea Soth, member of the KPRP Political Bureau, vice chairman of the Council of Ministers, and minister of planning. The document was signed by Kong Sam-ol, minister of agriculture and chairman of the Cambodian subcommission, and Yanko Markov, minister of forests and forest industry and chairman of the Bulgarian subcommission. Attended the signing ceremony were Thong Chan, deputy minister of trade; Ti Yav, deputy minister of planning; Nuch Than, director of the general department of rubber plantations; the three vice-chairmen of the Cambodian subcommission; 9nd Lyuden Damyanov, Bulgarian ambassador to Cambodia. On the same day, Chea Soth held talks with the Bulgarian delegation during which the two parties raised in particular the questions related to the development of bilateral cooperation in the economic, scientific, and technical fields. A

reception was organized yesterday evening in honor of the Bulgarian guests. [Text] [Phnom Penh SPK in French 0538 GMT 29 Apr 85 BK]

INDIAN COMMUNIST PARTY GREETES KPRP--Phnom Penh, 2 May (SPK)--On the occasion of the 10th anniversary of the Cambodian people's victory over the U.S. imperialists (17 April), M. S. Namboodari Pad, general secretary of the Communist Party of India-Marxist, sent warm congratulations to the KPRP Central Committee. Among other things, the message says: The liberation of your country 10 years ago was a memorable event in the heroic struggle of Indochina and represents an important step toward the defeat of U.S. imperialism in Asia. We Indian Marxists believe that this victory 10 years ago could not be consolidated because of the betrayal of the Pol Pot clique toward the party. Now that you have undertaken to save Cambodia from the remnants of the Pol Pot clique and its allies, we wish you success in your struggle. [Text] [Phnom Penh SPK in French 1128 GMT 2 May 85 BK]

AGREEMENT WITH GDR--Phnom Penh, 29 Apr (SPK)--An agreement on cooperation in the field of rubber growing between the PRK and the GDR was signed in Phnom Penh today by Nuch Than, director of the General Department for Rubber Plantations, and Gunter Horn, ambassador extraordinary and plenipotentiary of the GDR to the PRK. [Text] [Phnom Penh SPK in French 1236 GMT 29 Apr 85 BK]

CUBAN ECONOMIC DELEGATION--Phnom Penh, 3 May (SPK)--A delegation of the Cuban State Committee for Economic Cooperation, led by its vice chairman Lester Rodriguez Perez, vice chairman of the Cuba-PRK Commission for Economic, Scientific, and Technical Cooperation, arrived in Phnom Penh yesterday for an official friendship visit to the PRK. [Text] [Phnom Penh SPK in French 0446 GMT 3 May 85 BK]

BULGARIAN DEFENSE MINISTRY GIFT--Phnom Penh, 30 Apr (SPK)--The Defense Ministry of the People's Republic of Bulgaria recently offered its PRK counterpart five documentary films. L. V. Damyanov, Bulgarian ambassador extraordinary and plenipotentiary to the PRK, handed over the gift to Peap Tan, deputy chief of the Propaganda and Education Section of the PRK Defense Ministry, during a ceremony in Phnom Penh. [Text] [Phnom Penh SPK in French 0429 GMT 30 Apr 85 BK]

VICTORY, LABOR DAY MARKED--Phnom Penh SPK 27 April--A solemn meeting will be held in Phnom Penh soon to mark the tenth anniversary of the Vietnamese people's [victory] over the U.S. aggressors on 30 April 1975. Meetings, talks and other activities will be organized in the provinces, and at various public offices in the capital, where, in addition, there will be an exhibition and a film week. Also in Phnom Penh a working session will be organized to mark the international Labour Day. In its recent instructions on these events, the Commission for Propaganda and Education of the Central Committee of the People's Revolutionary Party of Kampuchea said that the victory of 30 April was of great historic significance and was closely linked to the victories of the Kampuchean and Lao peoples in the common struggle against the U.S. aggressors. The victories of the three Indochinese peoples resulted from the strength of each people and were the fruition of their solidarity and the solidarity of other fraternal socialist countries and progressive people the world over, the committee said. [Text] [Phnom Penh SPK in English 1135 GMT 27 Apr 85 BK]

HUNGARIAN TELEVISION DELEGATION--Phnom Penh SPK 23 April--A delegation of the Hungarian Television Commission headed by its director Myhaly Kornidesz, member of the Hungarian Socialist Workers' Party Central Committee, arrived in Phnom Penh Monday for an official visit to Kampuchea. It was welcomed at Ponchentong airport by Kim Yin, the People's Revolutionary Party of Kampuchean Central Committee and general director of the Kampuchean officials. Hungarian Ambassador Lajos Karsai was also on hand. [Text] [Phnom Penh SPK in English 1119 GMT 23 Apr 85 BK]

HUNGARIAN TV DELEGATION--Phnom Penh, 26 Apr (SPK)--A delegation of the Hungarian Television Commission led by its director Myhaly Kornidesz, member of the Hungarian Socialist Workers' Party Central Committee, left Phnom Penh Thursday after a three-day official visit to Kampuchea. It was seen off by Kim Yin, member of the People's Revolutionary Party of Kampuchea Central Committee and director of the Kampuchea radio and television, and other officials. Hungarian Ambassador Lajos Karsai was among the farewell party. While in Kampuchea, the Hungarian delegation was received by Men Sam-an, member, and president of the Commission for Propaganda and Education, of the party Central Committee. It visited the ex-Royal Palace, the National Museum, the TV studio, the orphanage No 1, the Tuol Sleng museum of genocide in Phnom Penh and mass graves of genocide victims at Cheung Ek in Kandal. [Text] [Phnom Penh SPK in English 1130 GMT 26 Apr 85 BK]

INDIAN AID --Phnom Penh, 27 Apr (SPK)--The Indian charge d'affaires to Kampuchea, D. B. Malik, presented here yesterday a quantity of goods as aid from the government and people of India to the Kampuchean Ministry of Education. The aid, the second of its kind to the ministry, consists of 15,271 metres of fabrics, 100 sewing machines, 1,104 balls for games and 1,498,000 note-books. Together with the first donation given last year, the Ministry of Education received a total of 10 million rupees worth in goods from India. Speaking on the occasion, D. B. Malik recalled the traditional friendship between the two countries and expressed the compliments of the Indian Government and people to the government and people of Kampuchea. He reaffirmed India's unchangeable position towards Kampuchea and its support for the latter's efforts to turn Southeast Asia into a zone of peace and stability. [Text] [Phnom Penh SPK in English 1121 GMT 27 Apr 85 BK]

SUCCESS IN KRATIE--Phnom Penh, 29 Apr (SPK)--About 100 Khmer Reactionary Army remnants have been put out of action, in Kratie Province, 250 km northeast of Phnom Penh, since early this year by the local armed forces, with the assistance of the population. Meanwhile, 29 underground enemy agents and a quantity of war materials were captured and 119 misled people rallied to the revolutionary authorities. [Excerpt] [Phnom Penh SPK in English 1125 GMT 29 Apr 85 BK]

DELEGATION LEAVES FOR PRAGUE--Phnom Penh, 2 May (SPK)--A party and government delegation of Kampuchea left here Thursday morning for Prague for celebrations of the 40th anniversary of the Czechoslovak people's victory over the Hitlerite

fascists. The delegation is led by Kim Yin, member of the KPRP Central Committee and general director of the Kampuchean radio and television. It was seen off at Pochentong Airport by Men Sam-an, member and president of the Commission for Propaganda and Education of the party Central Committee; and Jiri Veseli, Czechoslovak ambassador to Kampuchea. [Text] [Phnom Penh SPK in English 1123 GMT 2 May 85 BK]

INDIAN COMMITTEE GREETES HENG SAMRIN--Phnom Penh, 2 May (SPK)--The general secretary of the Central Committee of the People's Revolutionary Party of Kampuchea, Heng Samrin, has received congratulations from G. K. Moopnar, general secretary of the All-India Congress Committee and member of the parliament, on the 10th anniversary of the victory of the people of Kampuchea over the imperialist forces on 17 April 1975 and the sixth anniversary of the victory over Pol Pot regime on January 7, 1979. The message says: "This indeed is a matter of its great importance and joy for the people of Kampuchea and our party also shares this event with the People's Revolutionary Party of Kampuchea. The All-India Congress Committee avails this opportunity to renew to the Central Committee of the People's Revolutionary Party of Kampuchea the assurances of its highest consideration." [Text] [Phnom Penh SPK in English 0505 GMT 3 May 85 BK]

BULGARIAN COOPERATION MEETING--Phnom Penh SPK 23 April--The third session of the Kampuchea-Bulgaria Commission for Economic and Scientific and Technical Cooperation was opened here today. The Kampuchean side was led by Kong Sam-ol, minister of agriculture and that of the Bulgarian by Yanko Maerkov, minister of forestry. The Bulgarian delegation arrived in Phnom Penh on Monday. [Text] [Phnom Penh SPK in English 1123 GMT 23 Apr 85 BK]

PROPAGANDA DELEGATION TO HANOI--Phnom Penh SPK 19 April--A delegation of the Commission for Propaganda and Education of the Central Committee of the People's Revolutionary Party of Kampuchea left Phnom Penh Thursday for a symposium on anti-psychological warfare to be held in Hanoi, Vietnam, soon. The delegation, led by sociologist Vandy Kaon, head of Research Department of the commission was seen off at Pochentong airport by senior officials on the commission. Also present among the farewell party was Vietnamese Ambassador Ngo Dien. [Text] [Phnom Penh SPK in English 1209 GMT 19 Apr 85 BK]

SRV AIDED RICE MILL--Phnom Penh SPK 20 April--A rice mill built with assistance from Vietnam at Peam Ro Village, Peam Ro District, Prey Veng Province, was inaugurated on Thursday. The construction of the mill, which was a project of cooperation between the Kampuchean and Vietnamese Governments was undertaken by Prey Veng and its Vietnamese sister province of Dong Thap. Present at the inauguration of the mill, which is named "2 December" (the anniversary of the United Front for National Construction and Defence of the Kampuchean Fatherland), were Chan Ven, general secretary of the State Council, vice chairman of the United Front and president of the Kampuchean-Vietnam Friendship Association, Meas [?Samnang], minister of industry, and Thong Boreth, secretary of the KPRP Committee of Prey Veng. Also present were Do Minh Chau, Vietnamese Embassy counsellor, officials from Dong Thap and Vietnamese technicians and workers. [Excerpts] [Phnom Penh SPK in English 11 GMT 20 Apr 85 BK]