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## SOUTH AND EAST ASIA REPORT

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PRESIDENT CHOWDHURY'S MAY DAY MESSAGE SUMMARIZED

Dacca THE BANGLADESH OBSERVER in English 1 May 82 pp 1, 12

[Text] President Justice A.F.M. Ashanuddin Chowdhury expressed his hope that the toiling masses would be inspired by the spirit of May Day and discharge their responsibilities with devotion in their respective fields, reports BSS.

In a May Day message, the President also expressed his confidence that the working community would work hard to achieve economic self-reliance and raise the standard of life of the people.

President Ahsanuddin Chowdhury described May Day as a symbol of struggle and success of the working community of the world in establishing their rights and said that the appeal and significance of the historic day was immense.

President Chowdhury said that the Government had formulated policies and laws to ensure the rights and interests of the workers. Under these policies and rules, the working community on the one hand had built up organisations to work unitedly and on the other they had undertaken necessary programmes to improve their skill and efficiency, the President observed.

He said the Government and the management authorities had extended all cooperation to these programmes.

The President referred to different steps taken to improve the labour-management relations increasingly and said the Bangladesh Government considered such understanding and relations between the management and workers as essential prerequisite to raising production.

The President in his message extended good wishes and congratulations to the toiling masses and wished their well-being on the occasion of May Day.

CSO: 4220/7278

GENERAL ERSHAD ISSUES MESSAGE ON MAY DAY EVE

Dacca THE BANGLADESH OBSERVER in English 1 May 82 p 1

[Text] The Chief Martial Law Administrator Lt. General H. M. Ershad on Friday night said in Dacca that the aim of the Government is to remove all barriers in the way of realising the legitimate rights of the working people by forming a people-oriented and progressive administrative framework reports BSS.

In a message on the eve of the historic May Day General Ershad said the Government's determination is to root out exploitation and corruption from the society. "We hold the assurance to our worker brothers and sisters that the present Government is determined to bring an end to injustice, exploitation, corruption and top heavy administration from all spheres of life to save the masses from the exploitation of the vested interests," he stressed.

He said: "Inshallah we shall establish such a political economic and social order in which brotherhood and bonds of mutual co-operation will be the main source of inspiration of national progress."

The Chief Martial Law Administrator visualised a cherished society devoid of the obstinacy of individual and in which man will be identified as man.

General Ershad said the working people of Bangladesh are observing today the historic May Day expressing solidarity with the working community of the world. On this mournful day we are recalling with gratitude those fearless workers who had laid down their lives in Chicago city hundred years ago in the struggle for establishing the rights of the workers he added.

The Chief Martial Law Administrator paid his deep respect to the great ideals of the May Day and urged all including the workers and employers to realise the significance of the day. He noted that even today the ideals of their struggle inspired the working people of all countries for realising their legitimate rights.

In common with the rest of the world the historic May Day will be observed throughout the country today (Saturday) in a befitting manner.

On this occasion the working community will pay homage to the workers of the United States who had made supreme sacrifice this day in 1886 at Hay Market near Chicago to establish the rights of workers.

The Day has been declared a closed holiday.

Newspapers will carry special articles highlighting the significance of the day and its impact on the working condition of the workers all over the world.

CSO: 4220/7278

GENERAL ERSHAD ANNOUNCES WAR AGAINST POVERTY

Dacca THE BANGLADESH TIMES in English 24 Apr 82 pp 1, 8

[Text] Chief Martial Law Administrator and Commander-in-Chief of Bangladesh Armed Forces, Lt. Gen. H. M. Ershad said on Friday that the Government had declared war against poverty which should be won for the survival of the nation.

Gen. Ershad called upon all to participate in this war. "All citizens are equal and the poverty shall have to be shared by all equally," he said.

The Chief Martial Law Administrator was speaking at the foundation stone laying ceremony of a multi-storied sweepers' colony of Dacca Municipal Corporation at Tikatuly. Mr. Mahbubur Rahman, Adviser in charge of the Ministry of Local Government also spoke on the occasion.

Mr Pardesi, an elderly sweeper of the DMC laid the foundation stone of the complex. It would be built at an estimated cost of about Tk. 35 lakh to accommodate 60 sweepers' families. The complex is one of the six multi-storied buildings that the DMC planned to construct. The others will be built at Mohammadpur, Ganakkuti, Nayabazar, Sutrapur and Miranjala.

Social Change Must

Gen. Ershad said that the nation could not allow free hand to a handful of people to exploit others and lead luxurious lives. He said that under the present social structure, exploiters and the privileged ones were enjoying all benefits while those putting in labour were being looked down upon.

The CMLA said that the social structure had to be changed and the dignity of labour must be restored. He said that it should have to be ensured that those who gave labour, were honoured.

Jehad Against Corruption

General Ershad said that the jehad declared against corruption must be won. He said that corruption, which had been eating into the vitals of the nation, must be eradicated once for all. "We do not want corrupt people," he said.

The CMLA said, "we do not want the Government officials to be the masters. They are not masters, they are servants of the people," he said.

#### Objectives

General Ershad said that elimination of corruption and exploitation, attainment of food autarky, recasting of age-old administration and establishment of a pro-people democratic system were the major objectives of the present Government. He called upon the people from all walks of life to extend their support and cooperation to achieve these objectives of the Government to ensure a better future for the nation.

The CMLA said that all these objectives could be attained if every one performed their duties in their respective fields with honesty, sincerity and dedication.

General Ershad said that wherever he had gone, he had noticed tremendous enthusiasm among the people to work. They wanted direction he said. He called upon all to come forward and join hands with the Government to build up a happy and prosperous Bangladesh.

General Ershad also told that those who had earned money, acquired cars and houses by exploiting the poor, had a place in the society. But, the poor and downtrodden who worked hard, had no room in the society, he said adding that such society should be changed and the dignity of labour must be restored.

Mr Mahbubur Rahman said that the policy of the present government was to pay more attention to those who were neglected in the past, contributed much to the nation but received less.

Mr. Pardesi and other sweepers told me that they were inspired by the speech of General Ershad. "He has echoed our sentiments," they said.

#### All Are Equal

Mr. Mahbubur Rahman said that the present Government did not consider anybody as untouchable. He said that all sections of people of the society were equal.

Mr. Rahman said that General Ershad was not only the Chief Martial Law Administrator and the Commander-in-Chief of the Armed Forces. He said that Gen. Ershad was the Commander-in-Chief of the war against corruption and exploitation which was waged on March 24. He called upon all to participate in this war and help implement the programmes of the Government.

The Adviser said that the goals of the War of Independence of 1971 would be achieved under the leadership of General Ershad. He said that the present Government was backed by Almighty Allah and the nine crore people of the country.

Mr. Rahman said that the present Government had come to serve the people, not to rule them. He termed March 24 as "najat day" and said that all would now have to work hard with dedication, honesty and sincerity forgetting the past.

The Adviser said that the Government was planning to make the DMC effective so that it could render more services to the people. He said that it was being planned to bring Gulshan and Mirpur Purashavas under the DMC.

CSO: 4220/7265

MARTIAL LAW ORDER ON VACATION OF GOVERNMENT PROPERTY

Dacca THE BANGLADESH TIMES in English 24 Apr 82 pp 1, 8

[Text] The Chief Martial Law Administrator on Friday night issued the Martial Law Order No. 15 of 1982, according to an official announcement.

Following is the announcement:

In pursuance of the Proclamation of the 24th March, 1982, and in exercise of all powers enabling him in that behalf, the Chief Martial Law Administrator is pleased to make the following Order:

1. All persons who are in unauthorised or illegal possession of any property, movable or immovable, belonging to or under the control, custody or management of the Government, including the Bangladesh Railway, shall within thirty days from the date of commencement of this Order, vacate or surrender such possession and hand over the property to the officer or authority concerned with the control, custody, management or maintenance thereof and obtain receipt therefor.
2. Whoever fails to vacate or surrender such possession of any immovable property and hand over the property to the officer or authority concerned within the period specified in paragraph 1 shall be liable to be evicted from the property without any notice and for this purpose the officer or authority concerned, or any other officer or authority authorised in this behalf by the Sub-Zonal Martial Law Administrator, may use such force as he or it deems necessary and any structure, building, erection or other property standing or found therein or thereon may be demolished, destroyed or removed and the cost of such eviction, as may be assessed by the officer or authority taking action under this paragraph and approved by the Sub-Zonal Martial Law Administrator may be recovered as a public demand.
3. Whoever fails to surrender and hand over any movable property mentioned in paragraph 1 to the officer or authority concerned within the period specified therein, or returns such property in a damaged or mutilated condition, shall be liable to pay such compensation to the Government or the Bangladesh Railway, as the case may be, as the officer or authority concerned may with the approval of the Sub-Zonal Martial Law Administrator determine and such compensation may be recovered as public demand.

4. Where possession of any immovable property mentioned in paragraph I has not been vacated or surrendered within the period specified therein, the officer responsible for the control, custody, management or maintenance of such property shall, within thirty days after expiry of that period, submit a proposal before the Sub-Zonal Martial Law Administrator for taking possession by eviction under paragraph 2 and take necessary action after such approval.

5. The Sub-Zonal Martial Law Administrator shall get the proposal submitted under paragraph 4 examined by a committee, to be appointed by him, consisting of a Judicial Officer not below the rank of Subordinate Judge, a Government Pleader and an Additional Deputy Commissioner and shall accord approval to the proposed action if the committee finds that the property concerned belongs to or is under the control, custody, or management of the Government or the Bangladesh Railway, as the case may be, and it is in unauthorised or illegal possession of any person and advises him to accord such approval.

6. If the officer mentioned in paragraph 4 fails to submit the proposal within the period specified therein and fails to take necessary action within thirty days of receipt of approval and cannot show satisfactory cause as to why he could not do so, he may be retired, removed or dismissed from service or reduced in rank by his appointing authority for such failure without any further opportunity of showing cause.

7. If any immovable property mentioned in paragraph I comes under unauthorised or illegal possession of any person after the recovery of possession thereof under this Order, the officer responsible for its control, custody, management or maintenance may, if he fails to show satisfactory cause as to why he could not prevent such possession, be retired, removed or dismissed from service or reduced in rank by his appointing authority.

8. Any person aggrieved by an action taken under this Order in respect of any property may get his claim established by an appropriate legal action instituted before a Civil Court of competent jurisdiction and get relief accordingly, but no such Court shall make any order of injunction, temporary or permanent, against any officer or authority acting or taking action under this Order.

9. Whoever, being responsible for the control, custody, management, maintenance or supervision of any property mentioned in paragraph 1, is found to have helped or connived at the unauthorised or illegal possession of such property by any person shall, without prejudice to the provisions of paragraphs 6 and 7 be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

CSO: 4220/7265

MARTIAL LAW ORDER NO 16 ON FOREIGN RECRUITMENT

Dacca THE BANGLADESH TIMES in English 6 May 82 pp 1, 8

[Text] The Chief Martial Law Administrator has issued Martial Law Order No. 16 asking persons, who had received money from others promising them employment abroad, either to secure the employment or to return the money with compensation at the rate of 20 per cent per annum within 60 days.

Violation of the order shall be punishable with rigorous imprisonment for maximum term of five years of, or with fine or both.

Text

"In pursuance of the proclamation of the 24th March, 1982 and in exercise of all powers enabling him in that behalf the Chief Martial Law Administrator has made the following order.

1. Any person who, before the commencement of this Order, received any money from others on the promise of providing them with employment abroad, but failed to do so within the stipulated or agreed time or, where there was no such time, within one hundred and twenty days from the date of receipt of the money are directed either to secure the employment or to return the money received with compensation thereon at the rate of twenty per cent per annum within sixty days from the date of commencement of this Order.
2. Whoever contravenes the provisions of paragraph 1 shall be punishable with rigorous imprisonment for a term which may extend to five years or with fine or with both, and shall also be liable to return the money received with compensation thereon at the rate of twenty-five per cent per annum.
3. Whoever after the commencement of this order, receives any money from any person on the promise of providing him with any employment abroad, but fails to provide him with such employment within the stipulated or agreed time or where there is no such time within one hundred and twenty days from the date of receipt of the money shall be punishable with rigorous imprisonment for a term which may extend to five years, or with fine or with both and shall also be liable to return the money received with compensation thereon at the rate of twenty-five per cent per annum.

4. Nothing in this Order shall apply to a person against whom criminal proceedings were pending before any court immediately before the commencement of this order on the allegation that he failed to provide any person with any employment abroad as promised through he received money for the purpose or that he did not return the money received for that purpose when demanded.

CSO: 4220/7284

MARTIAL LAW REGULATION ON UNTAXED INCOME ISSUED

Dacca THE BANGLADESH OBSERVER in English 1 May 82 p 1

[Text] The Government has issued Martial Law Regulation V about disclosure of untaxed income and investments of such income, an official handout said in Dacca on Friday reports BSS.

The Government and the public have for some time past noticed with increasing concern that there is considerable amount of idle and unaccounted money in the hands of many people. These funds cannot, for obvious reasons, but utilised for productive purposes. These scarce resources of the country are either being kept completely idle or are being used to finance various unproductive activities which do considerable harm to the economy.

It is, however, generally admitted that simplification and rationalisation procedures coupled with responsiveness of both income tax administration and income tax payees will considerably reduce the incidence of idle and concealed income in the economy. Of late some measures have already been taken to improve matters in this direction. The Government is keenly aware of the need to carry forward these improvements and reforms, but meanwhile there is a general concern about the urgent need to curb the incidence of idle funds in the economy and make it available for productive investments.

The Government has therefore, decided to give incentive to holders of idle and taxevaded funds so that these funds are declared and made available for productive purposes. The declared funds will be subject to a flat rate of 15 per cent to be paid along with declaration. The balance 85 per cent of the declared funds can be utilised by the declarants in a wide range of productive activities which will strengthen the productive sector of the economy, increase employment and help stimulate the private sector of the economy. This opportunity is also available for untaxed income in foreign exchange held abroad.

The Government is conscious of the fact that such extraordinary concession or incentive cannot be repeated as such concessions are unfair to honest tax payers. With the various improvements in the direct tax system, Government hopes that there will be no justification in future to provide any such incentive to attract idle funds.

In this connection, it is needless to add that those who fail to avail of this last opportunity will be dealt with very severely under the Martial Law Regulation that has been promulgated. At the same time the Government is determined to ensure that those who respond to this facility for disclosure of concealed and untaxed income will get complete immunity from any questioning or any other coercive action against them. The Government, however, expects that all persons in possession of concealed income will make a fair and full disclosure of the untaxed income in view of the extraordinary incentive given to them.

The details of the Martial Law Regulation are given in Martial Law Regulation V along with information regarding rate applicable, date by which the returns under the Martial Law Regulation are required to be submitted, investment opportunities available and the form of declaration. The declarant will have the choice to pay tax at 30 per cent along with the declaration if he does not intend to invest the balance amount in the prescribed manner.

CSO: 4220/7278

SOURCES REPORT NATIONALIZED BANKS VICTIMS OF FRAUD

Dacca THE BANGLADESH TIMES in English 6 May 82 pp 1, 8

[Article by Muzaffar Hussain]

[Text] The country's six nationalised commercial banks have been robbed of at least Tk. 25 crore by internal and external fraud and forgery since Liberation, according to authoritative sources.

While due to inherent organisational defects chances of such fraudulent practices continued to exist, quite a large number of cases detected by the bank authorities were lying pending with the police for disposal.

The authoritative sources told the Times that the cases of undetected internal fraud could turn out to be large, if thorough probe was carried out in a planned manner in all the banks. They, however, warned that any haphazard action without going deep into the anomalies and without taking necessary deterrent measures against future repetitions might prove useless in the long run.

Although some cases of forgery and fraud were detected as early as 1973, such incidents began to increase with the expansion of banking in the country. Externally frauds were carried out by forged cheques and demand drafts by outside parties in collusion with the bank people. Internally, bank employees themselves did the job.

It is gathered that the banks were now facing a peculiar problem where cheques, exact prototype of the original cheques, were being produced at the bank counter for encashment. These cheque leaves, printed by some modern duplicating machines, do not differ with the original cheque leaves issued by the bank. In one case, detected recently, the forgers got the signature of the account holder so accurately that even the account holder could not differentiate between the two signatures. In this case, the original cheque leaf was found intact with the account holder. The forged cheque leaf contained the original cheque number of the bank.

In some cases, demand drafts, so long considered as the safest media in banking transactions, were being forged with surprisingly accurate code numbers.

Internally, fraud cases detected where huge amount of money had been withdrawn by issuing false cheque books against genuine accountholders. In some cases, deposited money was misappropriated without making necessary entries in the books. In some cases advances were made against fictitious accounts opened by the corrupt bank people. In some cases, bank managers made advances violating their limit of authority. It may be mentioned here that frauds and forgery normally take place in busy banks and in big towns.

Sources said that after detection on cases were filed with the police for investigation. But, in most of the cases there was abnormal delay in the investigation since the investigating policemen could hardly concentrate on a particular case due to their multifarious functions.

In the absence of any security press, banks are to depend on some earmarked printing press like Padma Printers, Ebco Pioneer Biac and Zenith Printers. Papers used for printing cheque books and demand drafts are imported exclusively for the earmarked printers and are never on open sale. Cases have been detected where some unscrupulous employees of these printing presses got some papers smuggled out for preparing forged cheques. These forged cheque books were used both by the internal external frauds.

Surprisingly, audit firms could hardly detect internal frauds. Cases of such frauds were detected when the accountholders lodged complaints with the banks about discrepancies in their accounts.

Secondly, posting of bank managers, accountants and other concerned employees for a long time at a particular branch made the task easy. Frauds were detected when concerned people were transferred elsewhere and new people took over. Previously, there was heavy pressure from the employees union on the management regarding transfer of employees. Most of the employees preferred to stay in towns with busy branches.

Internal frauds often manipulated accounts by jugglery during any inspection by higher authorities which made detection difficult. Long stay of bankmen in one particular branch helped the frauds to carry out jugglery of accounts with virtually no difficulty.

Sources said that the crux of the problem lay on the organisational structure of the banks. Due to the existing structure, there was great lack of supervision by senior bank officials. At present, General Managers or Deputy General Managers are responsible for a particular function of a bank. This functional jurisdiction instead of areawise jurisdiction virtually made no one responsible for the anomalies.

Welcoming the intentions of the present Government to put the country's banking system on the right track, authoritative sources suggested immediate setting up of a highpowered commission for reorganising the banking system and also to carry out a thorough probe into the anomalies piled up for years.

They suggested that separate agency should be set up for investigation of bank cases and separate court should be set up for disposal of these cases. This would ensure quick investigation and disposal of cases. Such management are seen in other countries of the world.

They also suggested setting up of a separate agency for the movement of cash from one place to another. They said that the bank officials should be freed as far as possible from non-banking jobs so that they could serve the people better.

CSO: 4220/7284

MORE GOVERNMENT APPOINTMENTS, TRANSFERS ANNOUNCED

Dacca THE BANGLADESH OBSERVER in English 27 Apr 82 p 12

[Text] Mr Habibur Rahman, Joint Secretary, President's Secretariat has been attached to the CMLA's Secretariat according to a PID handout.

Mr Abdul Quddus Choudhury, Joint Secretary, Law and Parliamentary Affairs Division has been attached to the CMLA's Secretariat in addition to his own duties.

Dr A.M. Abdur Rahim, Division Chief Planning Commission has been appointed Joint Secretary, in-charge of the Relief and Rehabilitation Division, Ministry of Food.

Mr M. Shahiahan Ali, Deputy Secretary, Planning Division Ministry of Finance and Planning has been appointed Deputy Secretary, External Resources Division in the same Ministry.

Mr Khandaker Abdul Haque, Deputy Secretary, Parliament Secretariat has been appointed Deputy Secretary Planning Division Ministry of Finance and Planning.

Mr Taslimur Rahman, Deputy Secretary Ministry of Agriculture (Agriculture and Forest Division) has been appointed Private Secretary to the Adviser, in-charge of the Ministry of Agriculture.

Mr Inan Ranjan Saba officer on Special Duty, Establishment Division has been appointed Deputy Secretary Education Division, Ministry of Education and Religious Affairs.

Mr A.W. Nuruddin Ahmed, Deputy Secretary Civil Aviation and Tourism Division, Ministry of Defence has been appointed Deputy Secretary, Food Division, Ministry of Food.

Mr Abdur Raquib Deputy Secretary Food Division, Ministry of Food has been appointed Deputy Secretary, Civil Aviation and Tourism Division Ministry of Defence.

CSO: 4220/7270

PERSONNEL, MISSION OF PRESS COMMISSION ANNOUNCED

Dacca THE BANGLADESH OBSERVER in English 27 Apr 82 pp 1, 12

[Text] The government has constituted the Bangladesh Press Commission with Mr Ataur Rahman Khan as Chairman of the Commission, according to a PID handout.

The members of the Commission are:

Non-officials: (1) Barrjsler Mainul Hosein, Chairman of the Board of Editors of the Ittefaq and Chairman, Bangladesh Sangbadpatra Parishad! (2) Mr Enayetullah Khan, Advisory Editor, the Weekly Holiday! (3) Mr Obajdul Huq, Editor, The Bangladesh Observer! (4) Mr Ahmedul Kabir, Editor, the Daily Sangbad! (5) Mr Shamsur Rahman, Editor, the Dainik Bangla! (6) Mr Ahmed Humayun, President, Bangladesh Federal Union of Journalists.

Officials: (7) Representative (not below the rank of Joint Secretary) of Law and Parliamentary Affairs Division, Ministry of Law and Land Reforms! (8) Representative (not below the rank of Joint Secretary) of the Ministry of Home Affairs! (9) Representative (not below the rank of Joint Secretary) of Defence Division, Ministry of Defence! (10) Representative (not below the rank of Joint Secretary) of Finance Division, Ministry of Finance and Planing! (11) Chairman, Press Council! and (12) Principal Information Officer, Press Information Department, Ministry of Information.

Names of three other members and the Secretary of the Commission will be notified shortly.

Following are the terms of reference of the Press Commission:

The Press Commission shall enquire into the present state of the Press in Bangladesh and its growth and role with particular reference to national development and shall examine and make recommendations on:

- (1) Growth, ownership, management pattern and financial structure and management of the Press in Bangladesh.
- (2) Economics of the newspaper industry; printing machinery and spares, proper utilisation and allocation of newsprint, other inputs and newspaper distribution system.

- (3) Legal provisions relating to the freedom of the Press: review of the Press laws to ensure freedom coupled with responsibility: the role of the Press Council and further powers, if any, to be given to the Council.
- (4) Professional performance, degree of objectivity and sense of responsibility, editorial institution; method of recruitment, education and training of journalists.
- (5) Role of the Press in national development, self-reliance and in building a corruption and exploitation-free austere society.
- (6) Advertisement in the economics of newspapers and appraisal of advertisement policy.
- (7) Professional organisations related to Press and their role.
- (8) Structure and management of news agencies with special reference to their sources of revenue, reception and transmission capabilities.
- (9) The imbalance in rural-urban information flow and growth of rural newspapers;
- (10) Perspectives of newspaper development in Bangladesh.

The Commission will start functioning from May 1, 1982 and will submit its report in six months.

CSO: 4220/7270

BANGLADESH

ERSHAD SENDS MESSAGE ON SHER-E-BANGLA DEATH ANNIVERSARY

Dacca THE NEW NATION in English 27 Apr 82 pp 1, 8

[Text] Chief Martial Law Administrator Lt. General H. M. Ershad yesterday called for taking a fresh vow to establish a social system free from corruption and exploitation following the ideals of Sher-e-Bangla A. K. Fazlul Huq, reports ENA.

In a message on the occasion of the 20th anniversary of death of the great leader which falls today, Gen. Ershad said true respect would be shown to his memory only when the lot of the commonman of the country could be improved for which he had dedicated his life.

Paying glowing tributes to Sher-e-Bangla, Gen. Ershad said the political and economic emancipation of the neglected and exploited people of the rural areas was the only goal of the great leader and he had pursued it till his death. His contribution in the field of education will remain everfresh in history, the CMLA added.

A man of uncommon personality and rare genius Sher-e-Bangla was a wise and foresighted political leader, patriot and real-friend of the downtrodden Gen. Ershad said.

CSO: 4220/7271

NATIONAL SAVINGS BUREAUS REPORTED TO EXCEED TARGET

Dacca THE BANGLADESH TIMES in English 30 Apr 82 pp 1, 8

[Text] With a total savings generation of about Taka 11 crore during the first 19 months of their existence, the achievements of the four national savings bureaus have exceeded the target.

The four bureaus--two in Dacca, one each at Narayanganj and Chittagong--were opened between February 1980 and May 1981 by the Directorate of National Savings with a view to extending more direct and efficient services to small savers.

The opening of these bureaus was felt necessary because the banks and the post offices, which are operating half a dozen savings schemes on the basis of commission, were preoccupied with their own businesses.

There was also popular demand from small savers that the Directorate of National Savings operate its own bureau offices alongside the banks and post office to directly deal with them.

Initially the four bureaus were asked to deal in two savings schemes--Pratirakkha Sanchayapatra and Bonus Sanchayapatra.

Total saving mobilisation by the four bureaus during fiscal 1980-81 stood at over Taka 5.78 crore while withdrawals amounted to only Taka 78 thousand thus leaving a net investment of Taka five crore.

The Motijheel National Saving Bureau which was opened on December 20, 1980, generated a total savings of over Taka 2.69 crore during 1980-81. The Narayanganj and Chittagong bureaus opened in February 1981 had collected a total savings of over Taka 85 lakh and about Taka 1.35 crore respectively. The Bureau at Elephat Road, Dacca, which was opened on May 15, 1981, generated over Taka 89 lakh as savings during the year.

Of the total savings mobilised during 1980-81, Pratirakkha Sanchayapatra accounted for 5.43 crore while Bonus Sanchayapatra fetched over Taka 35 lakh.

A Directorate source told the Times that during the first nine months of the current fiscal year ending in March, total savings generation by the four

savings bureaus totalled over Taka 5.37 crore against a target of Taka three crore for the year. Savings under the Pratirakkha Sanchayapatra scheme amounted to over taka 4.70 lakh while under Bonus Sanchayapatra scheme it was over taka 67 lakh during the nine months.

Recently the Directorate has introduced the sale of prize bonds through these Bureau offices in addition to the two schemes already being run by them, the source said.

The source said that the Directorate was considering the question of opening similar kind of bureaus in other important urban centres of the country. It is also being felt that a breakthrough in savings mobilisation under different schemes of the Directorate might be achieved, if there were bureau offices at all important district and sub-division towns.

The source said, at present the Directorate had its own field officers entrusted with motivational work at all district and sub-division towns, and some important thana headquarters. They publicised the different schemes and advised potential savers to save their money through the banks and the post offices.

He said that introduction of saving bureaus in Dacca, Narayanganj, and Chittagong made the field officers in these more effective, because they could lead potential savers to the bureaus whose only business was to deal with the savings schemes. The clients did not face the inconvenience that they usually faced with the banks and the post offices which were more busy with their own businesses to be able to pay adequate attention to the small savers.

The Directorate of National Savings, inspired by the success of national savings banks in countries like Sri Lanka and Thailand, went for introducing the savings bureaus. Except the Motijheel bureau which is being run by only one officer, one accountant and one clerk, the three other bureaus are being run by one officer and one clerk each.

CSO: 4220/7277

UN DELEGATE SPEAKS ON PALESTINE ISSUES

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 pp 1, 12

[Text] New York, Apr. 24--Bangladesh has again condemned the illegal and arrogant acts of Israel which created a highly explosive situation today not only in Palestine and other occupied Arab territories but also in the entire Middle East region reports BSS.

Addressing the seventh emergency special session of the United Nations General Assembly yesterday, the Acting Permanent representative to the UN Mr. Farooq Sobhan, said that Bangladesh's involvement in the freedom struggle of the Palestinian people was total. Bangladesh has always condemned in no uncertain terms the Israeli acts of aggression and will continue to do so till the wrongs are righted, he added.

The Acting Representative told the UN session that Bangladesh's stand on the Palestine and the Middle East question was unequivocal and consistent, and was not based on political expedience. He said Bangladesh firmly believed that no solution in the Middle East could be envisaged which "does not fully take into account the legitimate aspirations of the Palestinian people."

Quoting from a recent message to the nation by Chief Martial Law Administrator Lt. General H.M. Ershad, the Bangladesh representative said "It is our deep conviction that there can be no fair and lasting solution to the problem of the Middle East without a total withdrawal of Israeli forces from all Arab lands and without the restoration of the inalienable national rights of the Palestinians to have a state in what has always been and still is their own land."

The Bangladesh Representative said that the sinister designs of Israel must be stopped, Israel must be compelled by the world body to obey its mandate not only in the interest of peace and justice in the region but also in the wider interest of international peace and security and the welfare of mankind as a whole.

CSO: 4220/7267

UN DELEGATE'S 26 APR SPEECH TO ECOSOC REPORTED

Dacca THE BANGLADESH OBSERVER in English 27 Apr 82 p 1

[Text] New Kork, Apr 26--Bangladesh has reiterated its opposition to all forms of colonialism, racism and racial discrimination and its irrevocable commitments to their total eradication from the face of the earth, reports BSS.

The reiteration was made by the Bangladesh Representative at the United Nations while making a statement at the first regular session of the Economic and Social Council on Wednesday on the agenda item "Decade for action to combat racism and racial discrimination."

The General Assembly decided in 1973 to observe the decade beginning December 10 of that year.

The Bangladesh Representative said that the ultimate goals of the decade were to promote human rights and fundamental freedom for all without distinction of any kind such as race, colour, birth or ethnic origin through total eradication of racial prejudice racism and racial discrimination.

He said that the cruellest and most naked expression of racism were found in the policy of apartheid followed by the South African regime against its majority population. This policy resulted in denial of political representation to more than four fifths of its population, economic discrimination and exploitation of an unprecedented scale and dismemberment of the country through creation of so called black home lands.

CSO: 4220/7270

AMBASSADOR REITERATES PRC SUPPORT FOR BANGLADESH

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 pp 1, 12

[Text] China has reiterated her Government's total support to Bangladesh in the preservation and consolidation of her state sovereignty and national independence and in the attainment of her economic emancipation progress and prosperity.

This was stated by Chinese Ambassador in Bangladesh, Mr Liu Shu Qing in an exclusive interview with ENA Chief Editor Golam Rasul Mallick on Saturday morning.

The Chinese Ambassador stated in clear terms that his Government and people hope that the Government and people of Bangladesh would achieve success in maintaining peace and stability in the country and in their efforts at developing good neighbourly relations and regional cooperation and maintaining peace in the region.

Mr Liu Shu described as excellent and very friendly the relations between Bangladesh and China and visualised greater cooperation between the two countries in the coming days.

Q: Mr Ambassador how do you describe the present state of relations between Bangladesh and China?

A: Our relations are very good and excellent. There is no problem between the two countries. Our friendly and cooperative ties between the two people will be further strengthened.

Q: How would you evaluate economic cooperation between the two countries?

A: The economic cooperation between the two countries is very good. There is some imbalance in import and export between the two countries. We are trying to bridge the gap. As you know we are always helpful to Bangladesh with our limited resources and despite our own constraints. We have been readjusting our own economy in our country. We are certain that in due course we will be able to extend greater economic cooperation to Bangladesh. Our trade relation with your country is encouraging and this will further grow in coming days.

In conclusion the Ambassador sincerely hoped that Bangladesh would develop into a strong, prosperous and peaceful nation. We shall always stand by them in their struggle against hegemonism and external interferences, he said.

CSO: 4220/7267

ADVISERS DISCUSS PARIS MEETING, HEALTH FACILITIES

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 p 1

[Text] A meeting of the Council of Advisers was held in Dacca on Saturday with the Chief Martial Law Administrator in the chair at the CMLA's Secretariat for about six hours, reports BSS.

The Council took up the presentation of the brief to the Bangladesh Aid Group meeting in Paris. The Adviser for Finance and Planning gave detailed account of the proceedings of the Bangladesh Aid Group meeting. The CMLA took the opportunity to compliment the Adviser and members of the Bangladesh delegation on their performance.

The Council reviewed the foodgrains and salt situation in the country.

A substantial part of the Council meeting was devoted to in-depth examination of the role of IRDP in the context of Government determination to decentralise and streamline the administration using Thana as the basic unit.

The future of the cooperatives was discussed in particular and the Council decided that this vitally important subject will be taken up again exclusively in a special session of the Council Wednesday.

The Council took some important decisions in the health sector. It was decided that no doctor shall be allowed to go abroad for employment unless he served in the rural areas of the country for a minimum period of five years.

On completion of five years' service in the rural areas the Government will, however, consider only a small number of doctors for employment abroad keeping in view the country's requirements and the number of doctors available in the country.

The Council also decided to stop implementation of the schemes for the establishment of eight new medical colleges in different districts out of which four had already started functioning. This decision has been taken because the four medical colleges were started in these districts without providing adequate accommodation, required number of qualified teachers, appropriate equipment and other facilities.

However, in order to extend medical services to the people of those areas, it has been decided that the hospital component of the project where medical colleges were started will continue. Accordingly a 500-bed hospital in Khulna and 250-bed hospital each in Comilla, Bogra and Pabna will be set up.

These will be accomplished by upgrading the existing district hospitals where possible or by constructing new hospitals.

About the students, it was decided that those studying or admitted in these medical colleges will be shifted to the existing medical colleges in the country.

However, the Second Year students in Khulna and Pabna Medical Colleges will be shifted after they complete their Second Year Examinations.

The Council considered the present practice of sharing of the fees on account of pathological examination. X-Ray, ECG, EEG, physiotherapy, radiotherapy, blood test for blood transfusion by the doctors and the staff and decided to stop such practice under a Martial Law Order.

The decision was taken in view of the fact that doctors and staff used to keep themselves busy with cases of patients who were paying fee for such examinations to increase their earnings, causing negligence to the treatment of non-paying patients both in hospital wards and in outdoor.

At present, the doctors and staff are used to get 50 per cent of the charges on account of such examinations though they are doing these works as part of their normal duties using Government instruments and equipment. In order to ensure proper attention to the general patients and proper utilisation of Government resources, the Council decided to stop this practice forthwith.

CSO: 4220/7267

ADVISER TALKS TO PRESS ON RETURN FROM PARIS MEETING

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 pp 1, 12

[Text] Mr A.M.A. Muhith, Adviser for Finance and Planning on Saturday expressed the hope that the actual disbursement of the aid would be higher than the amount committed by the donor countries for the next financial year, reports BSS.

Mr Muhith who led the 7-member delegation at the recently held Aid to Bangladesh Consortium meeting in Paris was addressing a Press conference at his Sher.e. Bangla Nagar office in Dacca.

The members of the Aid Group representing 27 Governments and institutions in their ninth annual meeting in Paris committed 1700 million US dollars for 1982-83.

Mr Muhith said due to the world-wide economic recession most of the donor countries had cut their external aid. But in case of Bangladesh their attitude was favourable, he observed.

Referring to the review made by the Paris meeting on the economic programme of Bangladesh, Mr Muhith said the donors had welcomed the policy reforms and announced their commitments. But they had also indicated that implementation of the policy would play an important role in determining their future aid allocations for the country.

He said seven countries, France; Canada; Norway, Netherlands, Japan; U.K. and Denmark, had indicated that they would increase their aid levels "substantially."

He said a delegation from Netherlands would visit Bangladesh next month for further talks. Netherlands had reduced its external aid budget by ten per cent, but in case of Bangladesh it was expected to increase the aid substantially.

Replying to a question, Mr Muhith said he hoped the quantum of aid from the United States would be the same as in the last year.

Bangladesh is also negotiating with the International Monetary Fund (IMF) another aid source, for its financial assistance during next year he said.

He termed the current financial year as critical for Bangladesh due to seven lakh tons additional food shortage widening of trade gap caused by decrease in export price and increase in import price of commodities.

He said that short term loans and reserve financial sources were utilised to face the situation.

He, however, cautioned that such sources will not be available in the coming years. At the same time trade imbalance would be widened due to further increase in prices of import commodities.

Stressing the need for setting up of scientific economic target, Mr Muhith said the Bangladesh delegation explained to the Paris meeting that the Government's policy was aimed at preventing wasteful expenditure in the public sector to achieve a growth rate of seven per cent. Our policy also aimed at encouraging private investment, achieving self-sufficiency in food, controlling population through realistic measure and mobilisation of domestic resources.

Replying to a question he explained the measure for mobilisation of domestic resources. He said two and a half lakhs of people were now paying taxes and current year's performance was quite satisfactory. He stressed the need for revision of income tax laws to increase revenue earnings from agricultural sector and public entrepreneurs and by reduction of subsidy in different sectors and capacity utilisation of manufacturing projects.

Speaking about project implementation Mr Muhith said that a "fundamental change" would be brought about for speedy disbursement of fund to the priority projects. The project directors would be given necessary powers for efficient implementation of the projects.

Replying to a question the Adviser that instructions were already issued to the financial institutions for giving equal treatment to the public and private entrepreneurs in extending credit and other facilities.

He said small public sector units would be disinvested to encourage the private sectors and to prevent wastage in public sector.

He told another questioner that Bangladesh will also appeal to the foreign investors for oil and gas exploration in the country on production-share basis.

CSO: 4220/7267

DETENTION PERIODS LENGTHENED FOR PROMINENT PERSONS

Dacca HOLIDAY in English 25 Apr 82 pp 1, 8

[Article by Manik Hussain]

[Text] In many of the cases where persons were arrested and detained initially for a period of one month, the authorities have now extended the period of detention by another six months. This order has been passed mostly in cases of prominent citizens now behind bars on various charges.

So far eight former ministers, including two deputy prime ministers and four former parliament members have been arrested. They are: deputy prime ministers Jamaluddin Ahmed and S.A. Bari A.T., former establishment minister Major-General (retd) Majid-ul-Huq, former finance minister Saifur Rahman, former jute minister Habibullah Khan, former public works minister and mayor of Dacca Abul Hasnat, former state minister for commerce Chowdhury Tanbir Ahmed Siddiky and former state minister for manpower development Atauddin Khan.

The former parliament members are: Akhtaruzzaman Alamgir of Patuakhali, Siddiqur Rahman of Barisal, Zillur Rahman of Kushtia and Dil Mohammad of Rajshahi. All the parliament members belonged to the Bangladesh Nationalist Party (BNP).

Besides Abul Hasnat, three commissioners of Dacca Municipal Corporation are in custody. They are: Yunus Abdullah Sentu, Moslehuddin Bagu Miah and Mirza Abbasuddin. Abbas was also the chief of the city unit of the BNP's youth front.

Former deputy prime minister Jamaluddin Ahmed is now being tried on different charges of corruption and abuse of power.

Release

Meanwhile, Mohammad Zahir, a director of Alauddin Taiwa Textile Mill and father-in-law of Abul Hasnat, and Sagir Ahmed, vice president of Jagannath University College Student's Union have been released. While Zahir was arrested in the last week of March, Sagir Ahmed was taken into custody by police on April 7 on charge of possessing unauthorised firearms. No firearms, however, could be recovered from his possession.

On April 9, Kotwali police arrested Dr Shahid Hasan alias Babul, an interne of Mitford Hospital and recovered a revolver on the basis of his confessional statement. The physician later told the police that he had bought the revolver from Sagir Ahmed making a cash payment of Tk 10 thousand.

Sagir was produced before a metropolitan magistrate a few days ago. He was set free and all the charges against him were dropped.

CSO: 4220/7269

'HOLIDAY' INTERVIEWS ADVISER ON RURAL DEVELOPMENT

Dacca HOLIDAY in English 25 Apr 82 pp 1, 8

[Interview with Adviser Mahbubur Rahman by Jaglul Alam]

[Text] "The state of affairs in most of the organisations under the ministry of local government and rural development (LGRD) is very unsatisfactory. Many organisations are running without the required return and output, and have sunk in losses and debts."

This was revealed by Mahbubur Rahman, the adviser to the chief martial law administrator in charge of the ministry of LGRD in an exclusive interview with HOLIDAY last week.

He said that the performance of the members and chairmen of union parishads, who are in office now though their term in office normally would have ended in last February, is being "evaluated and we are intending to hold elections to union parishads sometime at the end of this year provided the election commission is ready and the atmosphere is congenial."

He added that thereafter the government intends to constitute thana parishads and also hold elections to zilla parishads. He recalled that after the emergence of Bangladesh, although a decade had passed, no election to zilla parishads had been held.

Mr Rahman said that "this government is for the whole nation and people and is neither in favor nor against any particular political party."

No political party has any influence on this government, he said. He observed that "most of the concepts, objectives and plans are General Earshad's, not borrowed from anybody. He is impartial and does not belong to any political party."

"His strength comes from the blessings of Almighty Allah, the 90 million people of the country including the entire armed forces," the adviser said.

"We who are with him are in total agreement with him," he added.

Mahbubur Rahman, while explaining the present conditions in different municipalities, said that the activities in all municipalities and the performance of the chairmen and the commissioners are now under scrutiny.

"Those who will be found to have failed or engaged in activities prejudicial to public interest or are sick may be replaced in accordance with law, and Dacca Municipal Corporation is no exception," he said.

"In this connection we are exploring the possibilities of integrating Mirpur and Gulshan municipalities with Dacca," he observed.

#### Gram Sarkers

He said that the government had been evaluating the work of the gram sarkers and the final decision about them would come within the shortest possible time.

He pointed out that the existing gram sarkers, if after evaluation they retains their existence, will be supplementary and not competitive to the union parishads.

In taking any decision, he went on, the present government does not suffer from any political constraint.

The adviser to the CMLA said after the liquidation of the youth complex the concerned agencies had already been directed to audit and inspect the accounts but due to paucity of manpower this process might take time.

"We intend to strengthen the cooperative movement by streamlining it, weeding out bad and fake cooperatives and providing incentives where they deserve them," he remarked.

Mahbubur Rahman observed, "The present government does not believe in unaccountability and hence everywhere we are trying to enforce accountability and the system of inventory. During last decade we lost both. This was one of our national tragedies."

#### LGRD

He said that since 85 percent of the total population are living in rural areas, the present government is determined to plan, channelize and direct its activities toward development of rural areas and rural people.

"One of the objectives of the government as repeatedly declared by the CMLA is to give more attention toward the neglected class of people and consequently attention will be focused on the rural areas," he elaborated.

The adviser said that in development activities the government wants to ensure participations of the people with a sense of belonging, self-help and self-reliance.

To achieve these ends the government is planning to carry out various reforms such as administrative, economic and social, Mr Rahman said.

The adviser said "we intend to make the local institutions of the people, such as union parishads, thana parishads and zilla parishads more powerful, with more responsibilities and service facilities but not for use to the advantage of particular individuals, groups or parties."

He assured that the present government would in every possible manner discourage misuse and abuse of power and resources given to those institutions.

"One thing I must mention. During my recent visits to different districts inspiring response from the people was demonstrated and noticed. They expressed their willingness and readiness to build the country for which they fought in 1971."

"Our people are patriotic and good. In my opinion, they never failed. It is we who assumed responsibilities and leadership failed in the past," he confessed.

On his personal experience he said, "I am from legal profession. Previously I used to work for my clients and at present I am working for the country and countrymen. Hence in the present assignment job satisfaction is greater. This is the real reward for me," he concluded.

CSO: 4220/7269

AID CLUB DISBURSEMENT DOWN IN REAL TERMS

Dacca HOLIDAY in English 25 Apr 82 pp 1, 8

[Article by Hossain Khasru]

[Text] The World Bank-sponsored Aid Club which concluded its ninth annual meeting in its usual course in Paris on April 21 pledged external aid commitments to Bangladesh to the tune of 1.7 million US dollars for upcoming fiscal 1982-83.

According to the official news agency report, the level of commitments for the coming year would represent an increase of about 14 percent over the one committed by the donors to the country last year.

The increase in aid commitments as such has been calculated at current prices. The import price indices for the country like others placed in the UN-category of LDCs have meanwhile been under phenomenal upward pressure due to a global inflationary wave.

According to a rough reckoning, the cost of imported merchandise in the case of Bangladesh registered an average increase of over fifteen percent over the last one year period.

When the global inflationary factor is thus taken into account and the figure relating to commitments by the Bangladesh Aid Club for 1982-83 is adjusted against the price escalating factor, the external aid scenario does not look as promising as matching the nominal increase in donors' pledges in percentage terms.

This is more so in view of the fact that the just-concluded Bangladesh aid group meeting has been the first one since the United Nations Conference on Least Developed Countries adopted the Substantial New Program of Action (SNPA) for 31 LDCs including Bangladesh and the Cancun summit endorsed increased flow of assistance for the LDCs.

It is worthwhile to mention here that external assistance to Bangladesh has recorded a downswing in real terms over recent years despite a higher volume of commitments and disbursements in nominal terms. According to an estimate, external aid disbursements in real terms were 15 percent

lower in 1980-81 than the related level in 1979-80, notwithstanding the fact that disbursements in nominal terms were higher during the period under review.

#### Fresh Promises

In all, Bangladesh received aid commitments to the tune of 3.7 billion US dollars for the first two years (1980-81 and 1981-82) of the second five-year plan (1980-85).

Against this, aid disbursements during the two years ending June next are expected to reach the level of 2.7 billion dollars, indicating that the next financial year is to begin with one billion dollar external assistance in the pipeline.

Fresh commitments for 1.7 billion dollars worth of external assistance have now been received at the Aid Club meeting from consortium sources which have normally been providing about seventy-five percent of the annual external aid availability for Bangladesh.

The exact picture about the fresh commitments and disbursements for the upcoming year to the country from non-consortium sources including OPEC and socialist countries is not yet known for certain.

Viewed against the backdrop of an increasingly unfavorable international aid climate over recent years which has adversely affected the aid-dependent LDCs in particular, the outcome of the just-concluded Aid to Bangladesh Club meeting in Paris can however be viewed otherwise as a not-so-disappointing one.

Most members of the Aid Group were reported to have said that they expect to maintain their aid-levels in the coming years at or above those indicated at last year's meeting.

Some donors have reportedly announced already substantial increased level of external assistance for Bangladesh for 1982-83.

The ninth Aid Club meeting in Paris was attended by Australia, Belgium, Canada, Denmark, Finland, France, FRG, Japan, The Netherlands, Norway, Sweden, the UK and USA.

Eight multilateral agencies including IMF, IFAD, IDB, UNDP, UNCTAD, and WFP also participated in it.

Besides, Italy, Switzerland, Kuwait Fund and OECD attended the meeting as observers.

Vice-President of the World Bank David Hooper, presided over the Aid Group meeting.

A seven-member Bangladesh delegation, led by A.M.A. Muhith, adviser-in-charge of the ministry of finance and planning, represented the country at Paris.

The Aid Club meet this year had a special session to consider the investment program and aid requirements in the country's energy sector in particular.

Official reports suggest that the donors have agreed in this connection for concerted efforts by Bangladesh and the aid-giving countries and agencies for effective exploitation of energy resources with particular emphasis on natural gas.

The concrete nature of donors' assistance in this particular sector for the coming year has not been spelled out yet in details.

#### The Needs

No firm indication was available before hand to suggest as to what Bangladesh sought in precise quantum terms in different forms of assistance--food, commodity and project--for the coming year at the Paris meeting from the consortium.

Indications prior to the change-over of the government showed that Bangladesh would seek 2.3 billion dollars from the Aid Group for 1982-83.

The new administration discussed at length in a meeting of the council of advisers on April 10 the issues relating to the Aid Group meeting in the light of its priorities for rejuvenating the economy along its stated lines.

According to available reports, Bangladesh had urged the donors at Paris for an increased flow of food and commodity assistance for 1982-83.

It was not however known till the writing of this report on Friday as to what the donors pledged in concrete forms, such as project aid, commodity assistance and food aid for the country for the coming year.

Official news agency report about the outcome of the Paris meeting indicated that some donors had expressed their willingness to provide more of their assistance in the form of fast disbursing commodity and to cover the local currency cost of priority development activities.

The donors were also reported to have welcomed the policy reforms announced by the new administration in Bangladesh and to have commended the prompt attention it had given to the critical economic and financial issues following its assumption of office.

Now that broad commitments by the donors for fiscal 1982-83 have been announced through their pledges in the Paris meeting, the next phase of the task which is indeed the more difficult one lies in the field of securing the disbursement of aid funds in the pipeline.

CSO: 4220/7269

REPORTER SAYS FARM PRODUCTION IN SHARP DECLINE

Dacca HOLIDAY in English 25 Apr 82 pp 1, 8

[Article by Mahmud Rashid]

[Text] The question whether Bangladesh will ever be able to attain its long-cherished dream of self-sufficiency in production of foodgrain still remains unanswered as all previous exercises eventually turned out to be futile.

The latest addition to the series of exercises is the medium-term food production plan which was launched in February, 1982, covering the second five-year plan period.

The World Bank in its appraisal described the medium-term food production plan as ambitious. Yet its success by its terminal year, 1984-85 was claimed by its sponsors who have, meanwhile, paid heavily for their baseless and unrealistic claims with their exit from the coveted saddle of power.

The mid-term food production plan (MTFPP) envisaged production of foodgrains at 15 million tons in fiscal 1980-81, 16.2 million tons in 1981-82, 17.3 million tons in 1982-83, 18.6 million tons in 1983-84 and 20 million tons in 1984-85.

Due to unprecedented fair weather, production of foodgrain in 1980-81 was 14.7 million tons which was only 4.5 percent below the MTFPP target for the year.

But in the current fiscal year production has declined sharply from the target of 16.2 million tons to 14 million tons because of prolonged drought beginning in October, 1981.

According to a source in the agriculture ministry, now the target of food production for 1982-83 is 15 million tons while a maximum 16 million tons and 17 million tons of foodgrains are likely to be fixed as targets for fiscal 1983-84 and 1984-85.

It is evident that the MTFPP targets were inflated with a certain purpose. The present administration has already hinted that various plans of the previous government will be revised soon.

It may be pointed out that the spearhead of the MTFPP is enhancement of irrigated acreage and a corresponding expansion of seed-fertilizer technology. It is based on 57 quick gestation projects and its annual targets were fixed at the growth rate of 6 percent which was registered in 1980-81.

The input package of the food production program was based on the following plan: a total net investment of Tk. 5,100 crores was projected to achieve the targets, Tk. 250 crores medium credit was envisaged to provide finance for the purchase of irrigation equipment and agricultural implements and the sum of short-term crop loan was anticipated to double over the level of Tk. 150 crores per year, demand for HYV seed was estimated to increase from the 6,200 tons of 1980-81 to about 58,000 tons by 1984-85, fertilizer use in 1984-85 has been shown to go up to about 19 lakh tons and diesel requirements for the operation of irrigation equipment were anticipated to be about 7 crore gallons in 1984-85 from 2.8 crore gallons in 1980-81.

Besides, the plan further included expansion of irrigation acreage from 36 lakh acres in 1980-81 and arrangement of drainage and flood control facilities for 20 lakh more acres of land and minor irrigation facilities through low lift pumps, deep tubewells, shallow tubewells and hand tubewells to 80 percent of the incremental irrigated area.

#### Contradictions

Referring to the land occupancy survey of 1978 a senior official of the agriculture ministry told this correspondent, the impoverished condition of most of the country's farmers and input-oriented production strategy of the government are contradictory and this sort of production strategy never yielded satisfactory results.

It may be pointed out that the land occupancy survey of 1978 shows that 29 percent of rural households own no land other than homesteads, 33 percent of households possess less than one acre of land, but three percent of them having land of five acres and above own 25 percent of the total cultivated acreage.

Besides, 23 percent of the cultivated land is under share-cropping.

The increase in the production of foodgrains is attributed by a senior official of the planning ministry to the people's all-out efforts to raise their food production in view of the acute food crisis in 1979-80 which was offset by the then government through immediate arrangement of foodgrains from abroad.

However, the production achievement of 1980-81 convinced the policy-makers of the country that through traditional input-based production strategy self-sufficiency in foodgrains can be attained.

But the then agriculture minister disagreed with the planners who were optimistic about the spectacular rise in foodgrain production through the provision of modern technological package.

He expressed the view that structural transformation must accompany technological changes for the achievement of the MTFPP targets, otherwise underdevelopment would continue to take worse forms.

He also mentioned in the document on food production program that the pressure of population on land and the existing land ownership as well as tenurial system had been an obstade to the proper utilization of modern technology.

The importance of structural changes in land in order to raise the production of foodgrains has also been subtly admitted in a recent paper of the ministry concerned.

It mentioned among others, the purchasing power of farmers in the list of production limiting factors. Since a farmer's purchasing power is directly linked with the tenurial system the present tenurial system cannot ensure generation of farmers' purchasing power.

CSO: 4220/7269

AGRICULTURE TO GET TOP PRIORITY IN NEXT ANNUAL PLAN

Dacca THE BANGLADESH TIMES in English 7 May 82 p 1

[Text] A total of Taka 445 crore has been earmarked for the agriculture sector in the proposed Taka 3300 crore Annual Development Plan for the next fiscal year according to reliable sources.

The allocation is higher by Taka eight crore than that of the current fiscal year. The increased allocation, the sources said, reflected the policy of the present government to attach highest priority to the agriculture sector.

Of the total allocation, Taka 350 crore has been allocated for fertilizer, seed, irrigation schemes excluding Bangladesh Water Development Board projects.

The sources mentioned that allout efforts would be made for the timely availability of seed and fertilizer and proper implementation of irrigation schemes with short gestation period.

The strategies and policies in the agriculture sector during the next ADP will be, among others, to (a) to expand irrigation coverage; (b) provide extensive production package of HYV seeds, fertilizer, pest management and farmer training credit etc.; (c) expand HYV wheat and rice in rain-fed areas and (d) ensure full capacity utilization of irrigation facilities and other support services.

CSO: 4220/7287

ADVISER SAYS MISMANAGEMENT OF FOOD SITUATION OVER

Dacca THE BANGLADESH OBSERVER in English 28 Apr 82 pp 1, 8

[Text] Dudmukha (Feni), Apr 27--Air Vice Marshal (Retd) A.G. Mahmood, Adviser in-Charge of Food, Relief and Rehabilitation has said the firm measures taken now in food management with facilities for unrestricted flow of foodgrains were aimed at reaching food to people everywhere in the country, reports BSS.

Addressing the 46th annual prize-awarding ceremony here yesterday of the Yaqubpur Ishaqia Aytimkhana (orphanage) as chief guest, the Food Adviser said the perils of a grossly mismanaged food situation which mounted us in the recent past were now over as the government had adequately galvanised its measures to manage the food situation inclusive of bulk international procurements.

Our attempts of total self-reliance, including food, must not end up as hollow slogans only especially when the Food-for-Work Programmes had been effectively consolidated he said and warned, "you must not, just wait for the government to help you."

The Food Adviser said, a country-wide rehabilitation programme was now being prepared to motivate "all of you to work harder."

Earlier, Air Vice Marshal Mahmood was welcomed by Peer Sahib Moulana Abdul Huq of Dudmukha, a village 12 miles from Feni town. Briefly narrating the history of the orphanage in a remote village the venerable Peer Sahib, the founder's representative, sought assistance to develop the institution further.

Mr. Anwarul Islam, Deputy Commissioner of Noakhali who also spoke on the occasion, assured help and assistance to the orphanage.

Mr. Mahmood then saw the vulnerable group feeding programme for the orphans.

The Food Adviser called upon the Yatimkhana management to rear up orphans as selfless future citizens of the country who would engage themselves in enhancing the dignity of the nation.

Explaining certain new management measures, Air Vice Marshal Mahmud said that many redundant formalities in food carriage and movement were now removed, so that even imported grains could reach the distributing points at the LSD within a very short while from being unloaded at the ports.

The dealers in foodgrains were expected to be appreciative of this policy of the Government which, he said, promoted a genuine free-market atmosphere. Modes of operation in this respect including the modified and statutory rationing, free market operation and the open market sale, must not be lost sight of by the traders, since continuous monitoring and constant vigilance by the appropriate authorities were unabated, the Food Adviser said.

He also held out the assurance that, if necessary, more vulnerable group feeding programmes along with the existing ones throughout the country could be undertaken by the Government for the distressed, the lactating mothers and the children and the orphans.

CSO: 4220/7272

PAPER TOLD FOOD TARGET TO BE REVISED DOWNWARD

Dacca THE NEW NATION in English 24 Apr 82 pp 1, 8

[Article by Kazi Montu]

[Text] The food production target for next fiscal year (1982-83) may be refixed at 15 million tons as against 17.3 million tons projected in the highly ambitious medium-term food production plan (MTFPP).

Disclosing it an authoritative source in the Agriculture Ministry told THE NEW NATION that the MTFPP would be reviewed and revised shortly for its adjustment with the refixed targets of food production for the remaining years of the plan.

According to the source, the food production targets for fiscal years 1983-84 and 1984-85 are going to be set at 16 million tons and 17 million tons respectively while the MTFPP targets for the two years were 18.6 million tons and 20 million tons respectively.

The MTFPP launched in February, 1981 after lapse of a year of the plan period beginning in July, 1980 was aimed at attaining self-sufficiency in food production by increasing it from a benchmark level of 13.5 million tons to 20 million tons by the terminal year of the plan, 1984-85.

The basic thrust of the plan was to raise the availability and utilization of modern agricultural inputs and provide small scale irrigation facilities.

It also promised to enhance the role of private sector in the distribution of inputs and the ownship of irrigation facilities.

Besides, the plan envisaged large investments in complementary storage and transport facilities and an expanded government role in procurement and open-market sale of foodgrains.

The first year of the MTFPP period, which ended before its launching was marked by record production of foodgrains because of the farmers' all-out efforts to raise production as they had suffered in the previous year when an acute food crisis hit the country.

But the current year's achievement proved the targets of the MTFPP as unrealistic. It may be noted that the gap between the target set in the MTFPP and the actual production is 2.2 million tons.

The input-based production strategy of the MTFPP has also been severely affected by the withdrawal of subsidy for fertilizers and pesticides.

The price of fertilizer increased by 46 percent over last years while 50 percent of the subsidy provided to the pesticides was withdrawn causing a sharp rise in the retail price of pesticides by 300 percent.

The sale of pesticides is being handled by the private sector.

Now subsidy is being provided to wheat seed, but there is heavy pressure from the external sources to withdraw it. Concerned circles maintain that if the provision of subsidy for wheat seed is discontinued the prospect of wheat production will be severely affected.

A source in the Agriculture Ministry informed that the demand for fertilizers had remarkably fallen in the current crop season.

It is learnt that Bangladesh Agricultural Development Corporation, which handles the distribution of agricultural inputs may be reorganised in order to streamline its activities.

The Government is learnt to have a plan to eventually defrock the corporation of its agricultural inputs distribution responsibility in the interest of the private sector. It will only manage the repairing workshop of the irrigation machinery.

CSO: 4220/7266

EXPORT-IMPORT GAP CONTINUES TO WIDEN

Dacca THE BANGLADESH OBSERVER in English 24 Apr 82 p 1

[Text] Despite efforts to bridge the export-import gap, the imbalance continued to deteriorate during the last seven years ending in June '80. On an average the export was only 36.84 per cent of the total import during the period.

Though the export figure has considerably increased during the period, the import figure likewise has also marked a steep rise resulting in the staggering imbalance.

During 1979-80 the total export was to the tune of Tk. 1135 crore while the import figure stood at Tk. 3924 crore. Similarly during 1973-74, the total export was Tk. 297 crore against the import of Tk. 732 crore. The export earning rose to Tk. 837 crore during these seven years with the consequent rise in import bill to Tk. 3192 crore.

The highest percentage of export against import was attained during 1976-77 when the figure marked 44.70 per cent. The total export during the year was Tk. 625 crore against an import of Tk. 1399 crore. During 1974-75 and 1975-76 the export earnings were Tk. 306 crore and Tk. 551 crore respectively against the import expenditure of Tk. 1084 crore and Tk. 1470 crore.

The export earning during 1977-78 was Tk. 740 crore against the import figure of Tk. 1821 crore. During 1978-79 the export figure stood at Tk. 928 crore against the import figure of Tk. 2493 crore.

While jute and jute goods contributed more than 60 per cent to the export earnings, the bulk of the import expenditure accounted for the public sector, petroleum being the most.

Besides raw jute and jute goods, other products and commodities exported including leather, frozen foods, tea, fruits and vegetables, newsprint, ready-made garments, handicrafts, cables, G.I. pipe specialised textiles and cotton fabrics and fodder naptha, furnace oil and bitumen.

Imported goods included petroleum industrial raw material, industrial spare parts, consumer items and essential food commodities.

CSO: 4220/7263

TEXT OF ANNOUNCEMENT LISTING BANNED IMPORTS

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 p 1

[Text] The Government has decided to ban the import of a number of items in pursuance of its policy to protect the indigenous industry with a view to maximising production in the country. The decision was taken in the meeting of the Council of Advisers held on Saturday says a PID handout.

Following are the items whose import has been banned:

- 1) P V C Compound (Shoe grade).
- 2) Cellophane paper all sorts except MST and MXXT type, which may be allowed to pharmaceutical industry as per their entitlement only.
- 3) Dry Cell Battery (Standard and medium sizes only).
- 4) Electric bulbs (15-100 watts only).
- 5) Electric Ceiling Fans.
- 6) Pilfer proof cap except for pharmaceutical industries within their entitlement.
- 7) Empty Lacquered Drums.
- 8) Metal and paper transfer of all foreign bicycle brands.
- 9) Steel Reeds of sizes upto 60s.
- 10) Electrical Accessories bed switches, table lamp switch, piano switch upto 15 Amp and 2 and 3 pin plugs only.
- 11) Hand sprayers, except those required by Tea Gardens requiring special automisation.
- 12) Locks and Padlocks upto 2 3/4" size, except combination and special locks.

13) Torch lights.

14) Telephone sets and exchanges upto 10 lines.

The following items shall remain banned, but import of any of these items may be allowed whenever necessary, with the clearance of the Industries Division and on notification by the CCI&E:

1) Paper, all sorts except the following grades - Cigarettee paper, Filter paper, Parchment paper, Tracing paper, Toilet paper, Base paper for carton paper, Base paper for sensitised paper, Monotype spool paper, Transfer paper, and Stencil Tissue paper.

2) PVC Pipe (Upto 8" dia).

3) Cycle tyre (2 ply) and tubes.

4) Foam Rexin.

5) Second hand and reconditioned buses, trucks and jeeps except Microbus, Minibus, Coaster and Pickup.

6) Aluminium conductors, steel re-inforced (ACSR).

7) Urea Formaldehyde Adhesive.

8) Carbon Dioxide Fire extinguisher upto 2 gallon capacity.

9) G I Pipe (1/2" to 4" dia).

10) Tear off vial seal.

11) Duplex Board.

12) Ships of steel or wooden bodies upto 1000 tons.

13) M S Tubes.

14) Shovels.

Import of duplicating ink under cash, credit and barter is also banned.

The decisions will come into force with immediate effect and the neccessary public notice has already been issued by the CCI&E in this respect.

To ensure adequate production within the country the industries concerned will be licensed at a level not less than 100% of their entitlement. The Government has decided to maintain strict vigilance on the market behaviour so that timely action could be taken for corrective measures.

CSO: 4220/7267

BANGLADESH JUTE INDUSTRY REPORTED IN TROUBLE

Dacca HOLIDAY in English 1 May 82 pp 1, 8

[Article by Amin Choudhury and Hossain Khasru]

[Text] Like the case in the preceding years, raw jute exports in 1981-82 will in all certainty miss the target. The gap between projected target and actual exports may be even higher this year.

As Bangladesh continues to lose much of her traditional dominance in the global jute export trade over recent years, other raw jute producing countries like Burma, Thailand, Nepal, China and India have succeeded to gain new grounds by capturing the markets which Bangladesh's 'golden fiber, has lost for itself.

The export sales of raw jute registered during 1981-82 season up to the middle of April, '82 aggregated to 13.5 lakh bales valued roughly at about Tk 140 crore. The belated export sales during the corresponding period of the last fiscal 1980-81 were recorded at about 16 lakh bales.

The trends in the current year's raw jute export trade show that total sales were registered at 4.34 lakh bales valued at 43.20 crore taka up to September, '81 and then at 8.87 lakh bales valued at 89.18 crore taka at the close of November, '81.

The most recent figure relating to export sales of raw jute with 13.5 lakh bales as on April 15, '82 shows rather a sluggish performance during the last four and a half 'months' period from December '81 to mid-April '82.

The raw jute export target for 1981-82 was earlier fixed at 23 lakh bales which was less than the target of the previous year by two lakh bales. The target for the current fiscal year was as such fixed after taking into account the scarcity of seeds and the unfavorable weather conditions, adversely affecting raw jute production during the year.

The Ministry of Agriculture projected the volume of raw jute availability in the country in 1981-82 at 65 lakh bales while the ministry of jute estimated the related availability of raw jute for the new crop at 50 lakh bales.

However, Foreign Trade Division of the Ministry of Industry and Commerce felt that the value-wise target for raw jute exports in 1981-82 could be reasonably set at 240 crore taka in consideration of the fact that there had already been an increase in the current exchange rate of US dollars in taka ratio and also the fact that unit price of raw jute was likely to have an upward trend during 1981-82.

#### Price Falls

Now at the closing part of the current financial year, it is quite clear that Bangladesh's raw jute exports will fall short of the earlier projected targets by a wide margin both in terms of volume and value. Raw jute exports in 1980-81 were also short of the targets.

In terms of volume, the shortfall was to the tune of fifteen percent and in terms of value, it was about 30 percent. The Export Promotion Bureau (EPB) explained the last year's faltering performance in terms of the world-wide recession which resulted in the decline of both price and demand for raw jute in 1980-81.

Raw jute from Bangladesh sold in 1980-81 at an average price of 13.64 percent lower than that of previous year's average price of tk 1141 per bale.

It is true that persistent global recessionary trends have hit the primary producing countries like Bangladesh hard. But it must as well be admitted that lack of an effective and realistic thrust for marketing of raw jute in the international markets along with exploration of new markets, inadequate shipping space and internal transport problems, the absence of the much-needed coordination between the public sector agencies and the private traders connected with raw jute exports, etc. have in particular been responsible for Bangladesh being elbowed out in the international raw jute export trade.

Thus, the export earnings from raw jute indicate this year even more a depressing situation than that of the last year despite the fact that the exchange rate of taka in relation to US dollars has depreciated and the unit price of raw jute export has maintained a constant, if not slightly improved, position this year as compared to the situation last year.

Unofficial sources further maintain that smuggling of a sizeable quantum of raw jute across the border this year has led to lower level of availability of raw jute for export from Bangladesh.

It is to be mentioned here that more than fifty percent of raw jute produced in the country are needed as the basic raw materials in the jute industry. Ninety percent of the rest quantum of raw jute are available for exports.

About 80 percent of the raw jute export business of the country is now in the hands of the private sector.

According to official figures during 1979-80 out of little over 19.68 lakh bales export, private sector handled over 16.5 lakh bales and the nationalized jute exporting agencies namely the Jute Trading Corporation and the Jute Marketing Corporation did business of only a little over 2.5 lakh bales.

The previous government provided liberal credit facilities to the jute trading sector, both private and public. According to some sources during 1981 the total amount of bank credit outstanding to private traders and autonomous bodies for purchase of raw jute was 453 crore taka.

Of this amount 118 crore taka was sanctioned during July-December 1980. The remaining amount accumulated over the years. The quantum of credit sanctioned during the jute season of July-December 1979 was 134 crore taka.

According to one estimate a sum of about 200 crore taka bank loan has remained due from different traders of the private sector in the jute export business. Official sources believe that some of the jute exporters after taking the bank credit in the name of jute trade have switched over to other business and invested the money elsewhere.

#### Farmers

Over the last few years the jute growers, however, did not get fair price of their produce. There remained a big gap between the production cost and the selling price of raw jute per maund and as a result the farmers were the worst hit.

During the last jute season the government did not even fix the lowest price for raw jute in the internal market and jute was sold at 100 to 150 taka per maund while production cost of per maund jute was estimated to be about 175 taka.

Not only the jute growers have been suffering for the last several years jute acreage also has diminished sharply. According to official statistics the acreage under jute was 13.53 lakh acre in 1979-80 against 18.78 lakh acres during 1978-79.

Despite the continuous deterioration in the overall performance of the jute sector well-planned and coordinated steps were not taken to stem the rot. The government and private sectors accuse each other for the anomalies in the jute sector.

Private sector sources point out that the authorities have failed to evolve correct policies to streamline jute production and marketing in both internal and external markets, and fixing a competitive export price for raw jute vis-a-vis other exporting countries.

#### No Coordination

There is also lack of coordination between the nationalized jute industry, government raw jute purchasing agencies, and private sector jute traders though all these organizations are interlinked.

Jute being still the major foreign exchange earner of the country there is immediate need to adopt correct policies protection the interests of the growers, traders, and above all the country.

Observers feel that adequate measures should be taken before the beginning of the jute season from July this year.

The banking control department of Bangladesh Bank announced 15-point terms and conditions for banks to sanction or to renew credit facilities to jute traders in the private sector last year.

The Bangladesh Bank announcement also included a schedule for the liquidation of outstanding credits and the caution that the "repayment program must be strictly adhered to" in default of which strict action should be taken for recovery.

It could not be ascertained how far the situation improved following the bank's directives.

CSO: 4220/7280

GOVERNMENT STEPS TO ACHIEVE JUTE EXPORT TARGET TOLD

Dacca THE BANGLADESH OBSERVER in English 6 May 82 pp 1, 8

[Text] The Government has taken certain measures to achieve the current year's target for export of jute despite the prevailing lull in the international market due to world-wide recession, according to official sources in Dacca on Wednesday, reports BSS.

The measures were taken following review of the situation in respect of sale and export of jute during last few days by the Jute Division of the Ministry of Industries and Commerce.

The measures taken to achieve the target of export of jute by end of the current year include.

1. The agencies and exporters who had concluded contracts for sale of specific quantities of jute by June this year would make allout efforts to export their goods within the specified time.
2. The Secretary of Jute would hold meetings with the principal jute exporters to emphasise the need for export of jute within the time limit. Traders facing any difficulties in respect of jute export have been advised to immediately bring them to the notice of the Jute Division so that it could remove such difficulties in time.
3. A number of countries which purchase certain quantities of jute from Bangladesh on regular basis have their representatives in Bangladesh. The Jute Secretary would hold meeting with them and request them to make efforts for timely import of jute according to their contracts.

According to the sources, the Government had fixed the export target of raw jute during current year to 20 lakh bales with the hope to earn Taka 210 crore in foreign exchange, but due to world-wide recession, the sale and export of raw jute slowed down. As a result, till April 30 last, it had been possible to export a total of 15 lakh bales of jute worth about Taka 160 crore.

The sources said that after reviewing the sale position of jute till April 30 last, it had been ascertained that the exporters in public and private

sectors had lined up sale of 7.50 lakh bales of jute. In addition, at least 3 lakh bales of jute are expected to be sold in next two months.

Official sources hoped that it would be possible to export at least 19 lakh bales if not 20 lakh bales by the end of current fiscal year if the exporters make all out efforts and if there was no problem of vehicles and ships for inland and overseas shipment.

The Jute Division during last few days held meetings with the representatives of government jute purchase agencies, Bangladesh Jute Traders Association and prime jute exporters with a view to achieving the target of jute export. Different aspects of jute purchase and export were reviewed at these meetings and necessary measures were taken to achieve the export target.

CSO: 4220/7282

PAPER REPORTS IMPROVEMENT IN JUTE EXPORT SITUATION

'OBSERVER' Report

Dacca THE BANGLADESH OBSERVER in English 7 May 82 pp 1, 12

[Text] The export earnings of jute industry have been showing a rising trend in recent times.

Jute industry used to get greater financial help from the Government till 1969-70 compared to what it is getting in the form of subsidy in post-liberation period.

In the pre-liberation period, the Government patronage to jute industry was in the form of bonus vouchers.

The Government subsidy to nationalised jute industry was over Taka 160 crore during eight years from 1972-73 to 1978-79 which amounted to 5.38 per cent of the foreign exchange earning of Taka 2,980 crore during the period. The subsidy by the Government provided to the private owners of jute mills through bonus voucher in 1969-70 was 41.47 per cent of the total foreign exchange earning of Taka 77 crore during the year.

A total of 72 jute mills were nationalised and former owners or managers were appointed as administrators. Management of jute mills was taken over by the Bangladesh Jute Mills Corporation in 1975. Out of the total nationalised mills, 35 were owned by Bangladeshi owners. Two mills were later handed over to the former owners. Ten mills were financed by erstwhile EPIDC. The total installed capacity of these nationalised mills are 25791 looms out of which 91 per cent is operating and nine per cent lying idle.

Despite heavy odds the BJMC earned profit during 1979-80 and 1980-81. The net profit in 1979-80 was Taka 116 crore and Taka 39 crore during 1980-81. However, BJMC does not expect to earn profit during the current fiscal year.

The BJMC had to pay heavy amount of liability of bank loan insurance claim, and service charges of insurance etc. In 1980-81 alone, BJMC paid Taka 83 crore towards repayment of liability. The Corporation also paid Taka 75 crore to the national exchequer out of profit.

Despite reduction of thickness of products according to international market demand, production has registered an increase in 1980-81. During the year the production was 5,80797 tons which is 104 per cent of production in 1969-70. Product in 1969-70 was 5,60,500 tons. BJMC jute mills produced 5,47,300 tons in 1977-78.

BJMC expected 4,50,000 tons of jute goods during the nine months of the current financial year. The Corporation earned foreign exchange amounting to Taka 468 crore through this exports during these nine months.

But exports earning of jute goods increased during last few years despite gradual fall in average price in international market of jute goods. Foreign exchange earnings through export of jute goods was Taka 595 crore during 1979-80 and Taka 583 crore during 1980-81. Whereas fall in average price in international market was estimated at Taka 13,372 per ton in 1979-80, Taka 11,725 in 1980-81 and Taka 10,318 during July-December 1981.

It may be mentioned that BJMC had to declare lay-off at its mills producing carpet backing due to slump in United States market. The Corporation has again started receiving orders from US buyers and the backlog stock or carpet backing has been sold out.

Quantity of wastage in jute mills has also come down significantly resulting in the reduction of production cost. Wastage in mills during 1968-69 was 8.81 per cent, and it was 8.42 per cent in 1969-70 whereas in 1980-81 the amount of wastage came down to 7.12 per cent and it further came down to 6.75 per cent during the current fiscal year.

#### Trade with Soviet Union

Dacca THE BANGLADESH OBSERVER in English 7 May 82 p 1

[Text] The USSR has shown keen interest in purchasing more high quality raw jute and jute goods from Bangladesh during the current fiscal year, says a PID handout.

The keenness of the USSR was shown when their trade representatives had a discussion with the Secretary, Jute Division, Ministry of Industries and Commerce, in Dacca on Wednesday.

Under the current Trade Protocol signed between Bangladesh and the USSR, 49 thousand tons of raw jute will be exported to Russia. She has so far contracted to buy 22 thousand tons of raw jute out of which 14 thousand tons have already been shipped. The balance of eight thousand tons will be shipped within this month.

The USSR has so far contracted to buy 3.35 million metres (about 1640 bales) of jute cloth out of a provision of 28 million metres (about 18,000 bales). She has also bought two million pieces (about 5,000 bales) of heavy ceas out of a provision of 19 million pieces (about 48,000 bales).

The trade representatives further said that the USSR has already made a contract to buy 25 thousand square metres (5,000 pieces) of jute carpets from Bangladesh last year.

It may be mentioned here that the USSR has doubled her purchase of raw jute from Bangladesh during the last three years.

#### Twine to Burma

Dacca THE BANGLADESH OBSERVER in English 7 May 82 p 1

[Text] Rangoon, May 6--Bangladesh and Burma signed an agreement for sale of over 500,000 lbs. of Bangladeshi jute twine to Burma valued at over Taka 22 lakhs yesterday, reports BSS.

The shipment is to be made in May/June 1982.

The agreement was signed in Rangoon between Myanma Export Import Corporation and the Bangladesh Embassy.

CSO: 4220/7286

INCREASE IN SUGAR PRODUCTION REPORTED FOR 1981-82

Dacca THE BANGLADESH OBSERVER in English 7 May 82 p 1

[Text] Production in the country's 14 sugar mills during 1981-82 has already exceeded 1,97,000 tons till Wednesday.

A Sugar Corporation source told BSS on Thursday that the total production might exceed 1,28,000 tons with the completion of production of the remaining three mills. Out of the 14 mills which went into production this year, the Carew and Company, North Bengal Sugar Mills and the Mobarakgon Sugar Mills are expected to end production within a short time.

This time production of the sugar mills under the Corporation, which has become a profit earning concern of the nationalised sector has already exceeded all time high target since the independence.

With the production of nearly two lakh tons of sugar the sugar mills of the country have exceeded their target of 1,65,000 tons. The mills have also marked a record crushing of 24,20,000 tons of sugarcane till Wednesday which was not possible earlier.

The Corporation source said that the most important factor behind this year's production boost was the highest percentage of sugar recovery which was around 8.25 per cent as against 7.93 per cent last year.

A well informed source said that the main reason behind maximum production in this nationalised sector was the maximum production of sugarcane this year due to favourable weather conditions streamlining of administration and the dedication and hard work of the officials of the concerned factories. It is learnt that there were 2,34,688 acres of land under sugarcane plantation this year as against 1,91,182 acres last year.

CSO: 4220/7286

GOVERNMENT GIVES PRIORITY TO GAS PIPELINE

Ershad Directive

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 p 1

[Text] The Chief Martial Law Administrator, Lt. Gen. H.M. Ershad on Saturday directed to give highest priority to the project of laying gas pipeline in the Western region of the country, reports BSS.

The directive came from the CMLA at a meeting of the Council of Advisers held on Saturday with him (CMLA) in the chair.

Gen. Ershad also directed the Ministry of Communications that the road between Dacca and Dinaipur and Dacca-Raishahi should be dual highway and be given top priority.

Energy Adviser's Speech

Dacca THE BANGLADESH OBSERVER in English 25 Apr 82 pp 1, 12

[Text] Air Vice-Marshal Sultan Mahmud, Deputy Chief Martial Law Administrator, and Adviser in charge of the Ministry of Energy and Mineral Resources has reiterated the government policy programme for taking gas to the western zone of the country, reports BSS.

The DCMLA was addressing the scientists, chemical engineers and other officials of Petrobangla Research Laboratory at Gulshan, on Friday.

Air Vice-Marshal Sultan Mahmud expressed his satisfaction at the zeal, and enthusiasm of the young scientists engaged in the research and development task in the survey and exploration sectors of the Petroleum Division. He cautioned that such a research is cost prohibitive for a developing country like ours but the professionals are also obliged to the society to ameliorate the conditions of the masses and to boost the national economy for our future generations through the discovery of our natural resources.

The DCMLA described the generation and distribution of power and exploration of natural resources as the twin functions of his Ministry which he pointed out, was central to the success of our annual and terminal development programme.

The Adviser also reviewed the present position of existing gas fields and development of new gas wells at Habiganj, Titas, Fenchuganj and Patharia. He emphasised the future plans of the government to restructure the gas transmission lines into a national gas grid. To that end the DCMLA ordered a preliminary study board to be completed by one month and a feasibility study board to submit the complete report within three months.

Air Vice-Marshal Sultan particularly viewed that Bakhrabad, Ashuganj and Titas Gas Transmission lines would be designed as a "loop" to ensure uninterrupted flow of gas on the national grid. He referred to the recent investigation ordered by him to apprise him about the reported fault in design of the Habiganj gas plant.

The DCMLA exhorted the achievements of Petrobangla research for being a pioneer institute to meet the challenge of our national oil and gas exploration research. He directed the Chairman of the Petrobangla to find a suitable place for the laboratory which might gradually develop into a Petroleum research institute.

Earlier, the DCMLA while addressing the PDB personnel in a separate meeting at the Power Development Board urged them to improve the power distribution system throughout the country. This, he emphasised, could only be achieved through their professional efficiency, skill and consciousness.

He directed the concerned officials to introduce self-metre reading system and where necessary to take voluntary service of school and college students to expedite and to ease the present complicated metre reading procedure.

Referring to the existing outdated billing system, the DCMLA asked the concerned officials of the department to prepare electricity bills under their respective areas in time. He hoped that the consumers would clear-up their dues also in time which would enable the PDB to render better services.

He acknowledged the inadequacy of emergency maintenance attendants of the Power Board. He directed them to attend to the complaints lodged by the consumers with highest priority.

Expressing concern at the recent pilferage of power transmission lines and its accessories, the DCMLA said that he was convinced that people from all walks of life would come forward and help the law enforcing agencies to bring the public enemies to books.

The DCMLA disclosed that a national policy on energy would soon be promulgated.

CSO: 4220/7268

BRIEFS

SOCIAL WELFARE ADVISER--The Chief Martial Law Administrator Lt. Gen. H.M. Ershad has appointed Dr. Shafia Khatun, Member of the Bangladesh Public Service Commission as a member of his Council of Advisers, reports BSS. Dr. Shafia Khatun has been allocated the portfolio of the Ministry of Social Welfare and Women Affairs. [Text] [Dacca THE BANGLADESH OBSERVER in English 1 May 82 p 1]

AMBASSADOR IN YUGOSLAVIA--The Yugoslav President Mr Sergej Kraigher has conferred upon the outgoing Bangladesh Ambassador, Mr Fakhruddin Ahmed, the decoration of "Grand Cordon of Yugoslav Flag" in cognition of his contribution to the development of friendly relations between the two countries according to a message received in Dacca on Friday, reports BSS. The decoration was conferred when Mr Fakhruddin Ahmed made a farewell call on the Yugoslav President before his departure for London. Mr Ahmed has been made Bangladesh High Commissioner to U.K. Speaking on the occasion the Yugoslav President said that the Yugoslav leadership attached great importance to the friendly relations, understanding and cooperation between Bangladesh and Yugoslavia. He also stressed the need for closer cooperation and understanding between the two countries in preparation for the seventh Non-aligned summit which should reinforce the unit and action capability of the Non-aligned movement in the world. [Text] [Dacca THE BANGLADESH OBSERVER in English 1 May 82 p 12]

ENVOY TO KENYA--The Government has decided to appoint Mr. A.B.M.G. Kibria a former Inspector General of Police as High Commissioner for Bangladesh to the Republic of Kenya it was officially announced in Dacca on Wednesday night says BSS. Born on May 1, 1928 Mr. Kibria graduated with Honours in Economics in 1948 and obtained M.A. degree in Economics in 1949 from the University of Dacca. He joined the erstwhile P.S.P. cadre as Assistant Superintendent of Police in January 1953. Thereafter he held important assignments in the police department in various capacities. He became Principal of the Police Academy in Sardah in 1972. Before joining the Ministry of Foreign Affairs as OSD in February 1982 he was Inspector General of Police since August 1978. Mr. Kibria has some publications to his credit also. He has attended a number of international seminars and Interpol meetings in Panama '78, Nairobi '77, Manila '80, Nice '81. He is a renowned sportsman and was General Secretary of erstwhile East Pakistan Sports Federation in 1965. He is married with three children. [Text] [Dacca THE BANGLADESH OBSERVER in English 29 Apr 82 p 8]

FOREIGN DEBT CONVERSION--The total outstanding debt of Bangladesh stood at 380 crore US dollars till June 1981. Of the total debt, about 600 million US dollars have been converted into outright grant by different donor countries. France, Canada and FRG have converted their loans into outright grant. Japan on the other hand has converted into grant the interest part of its loan. The United States has also been converting the interest of PL-480 into grant. The amount runs into Taka 10 to 12 crore every year. Bangladesh paid US dollar 95 million for debt servicing in the current fiscal year. The debt servicing amount will rise to US dollar 110 million in the coming fiscal year. Most of the debt bear an interest rate of two per cent. Five per cent interest rate is considered hard term loan. Very limited funds are borrowed on such terms. The total hard term borrowing by Bangladesh till June 1981 was 396 million dollar out of which the outstanding debt is 235 million dollar. [Text] [Dacca THE BANGLADESH OBSERVER in English 28 Apr 82 p 1]

PACT WITH SWEDEN--Bangladesh and Sweden signed a bilateral Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income here yesterday, says a PID handout. The Convention was signed by Mr A. K. Azizul Huq, Secretary, Ministry of Finance, Internal Resources Division and ex-officio Chairman, National Board of Revenue, and Mr Peder Hammarskjold, Ambassador of Sweden to Bangladesh on behalf of their respective governments. The Convention aims at promoting investment as well as facilitating closer economic and commercial relations between the two friendly countries by removing the problems of double taxation in the development of such relations. [Text] [Dacca THE NEW NATION in English 4 May 82 p 8]

FRENCH AID AGREEMENT--Paris, 23 Apr--France will provide Bangladesh 235 million franc (one franc equivalent to Taka 3.40) under financial protocol for 1982 and will supply 14,000 tons of foodgrains under the food aid programme reports BSS. Mr A.M.A. Muhith Adviser in charge of the Ministry of Finance and Planning and Mr Jacques Delors French Minister for Finance and Economy on Wednesday signed the agreements on behalf of their respective Governments. [Text] [Dacca THE BANGLADESH OBSERVER in English 24 Apr 82 p 8]

AUTOMOBILE MANUFACTURING PLANS--The country's first automobile assembling plant in private sector will go into production in June next. The Take eight crore plant at Fauzderhat Chittagong will have a yearly capacity of assembling 1200 landcruiser jeeps and other medium and light commercial vehicles, microbus, pick ups and 1200 trucks and buses of Toyota and Hino models. Bangladesh Shilpa Bank will provide Taka 30 million, ICB consortium Taka 14.20 million and the rest of total cost of Taka 80 million will be invested by the promoters. Besides assembling and progressive manufacturing of heavy, light and medium types of commercial vehicles the plant is expected to make efforts to introduce some basic transports for multi-purpose use as both passenger cum goods carriers. The plant will save foreign exchange and generate employment opportunity a Press release of the firm said. [Text] [Dacca THE BANGLADESH OBSERVER in English 6 May 82 p 1]

## FINANCE MINISTER WINDS UP LOK SABHA DEBATE

Bombay THE TIMES OF INDIA in English 27 Apr 82 p 1

[Text] NEW DELHI, April 26. The finance minister, Mr. Pranab Mukherjee, said today that the wholesale price of several essential items had started coming down, a phenomenon which had occurred only twice since independence after the presentation of the budget.

These included such items of daily requirement as edible oils, fruits, vegetables and eggs, sugar and khandsari, gur and pulses, Mr. Mukherjee said while winding up the debate at the first-reading stage of the finance bill in the Lok Sabha today.

On a point-to-point basis, the rise in the wholesale price index on April 10 last was zero. The figure was 17.8 per cent, the same as last year, he said.

He gave these statistics to buttress his claim that the government had succeeded in effectively containing inflation and added that this was the result of his budgetary proposals.

He [words illegible] he had never claimed that prices of some items were not rising. All that he claimed was that the rate of inflation was coming down since the Janata period.

## Janata Blamed

Referring to the rise in the prices of items like cement and steel, Mr. Mukherjee said it was unavoidable because of the cost of inputs. The input costs had to get reflected somewhere, either in the prices of the items or in budgetary support through subsidies. The latter would mean a heavier dose of taxation.

The finance minister agreed with Mr. Nawal Kishore Sharma (Cong-I) on the need for pursuing a selective credit policy so that certain sectors of industry, which were in genuine need of credit, were not starved of funds.

Mr. Mukherjee, in fact, claimed that the government was actually pursuing such a policy and it was paying rich dividends. He pointed out that only last month, the Reserve Bank had somewhat liberalised its credit policy.

In reply to Mr. Nawal Kishore Sharma's complaint that smuggling was on the increase despite the fact that the same Mr. Mukherjee, when he was minister of state during the emergency, was able to put a check on the menace, the finance minister put the blame squarely on the Janata government.

He said in 1977, a situation was created where "smugglers regained their credibility." For two years, there was not a single income-tax raid. So the "momentum" of the early 70s was lost and it would need some time before the proper atmosphere was generated.

The debate took on political overtones, when a CPM member protested against the minister quoting figures to show that the Centre was not discriminating against West Bengal as often claimed by the state chief minister, Mr. Jyoti Basu. The marxist MP alleged that Mr. Mukherjee was giving the figures with an eye on the elections.

Mr. Mukherjee said that when the initiator of the debate, Mr. Somnath Chatterjee (CPM), had made the allegations, he had to reply to them.

The minister pointed out that of the 171 Central undertakings, 35 were located in West Bengal and the investment involved was Rs. 3,800 crores out of a total of Rs. 21,126 crores. The state government, on the other hand, spent only Rs. 376 crores out of the plan outlay for 1980-81 of Rs. 575 crores. It failed to utilise about Rs. 200 crores.

"The state government may have squandered money elsewhere," the minister said, "but it was of no use because there cannot be development by giving out doles."

The finance minister said overdrafts by the state governments were causing worry, emphasising the need to enforce "serious fiscal discipline." The reference apparently was to West Bengal being guilty of drawing large overdrafts from the Reserve Bank.

Mr. Mukherjee met the criticism of the government's liberalised import policy by saying that it could on no account be interpreted as giving up the policy of self-reliance. In fact, the aim was to strengthen self-reliance through a liberalised import of know-how and sophisticated technology.

CSO: 4220/7231

## PRESIDENT REDDY'S 5 MAY SPEECH IN DUBLIN REPORTED

New Delhi PATRIOT in English 6 May 82 p 3

[Text]

DUBLIN, May 5 (PTI) — President Sanjiva Reddy said today that democratic tendencies had gone deep into consciousness of Indian people and their faith in political and economic freedom 'has become firm and stable.'

'We, as a nation, strive towards a society where every citizen irrespective of his origin or faith can achieve his utmost potential,' he told the people of Dublin at a civil reception.

Like Ireland, President Reddy said, India was a parliamentary democracy with representative institutions, the rule of law, a free press and independent judiciary. Since Independence, a major task of the Indian Government had been to promote social and economic justice for the people. The Government was committed to the goals of ending exploitation and poverty and guaranteeing equality of rights and opportunities to all citizens without any discrimination of caste, creed or colour, he added.

The President made a reference again to the 'disquieting trends' in the world today, especially in the political and economic spheres and said, 'there is a rise in world tensions, the near break-down of détente, the build-up of new and awesome weapons of mass destruction.'

He expressed the hope that wiser counsel would prevail and the world would be spared another holocaust.

'In our region, our efforts are directed towards promoting stability, normalisation and good relations with neighbours,' he said, adding 'without peace there can be no development.'

'Countries like ours cannot afford to divert their energies and scarce resources from development to armament. Both our countries stand for peace and for an equitable world order', President Reddy said, appealing for working together towards making the world a better place to live in.

The President said a sense of enduring friendship, mutual appreciation and shared beliefs had underlined the relations between India and Ireland from the beginning of the present century. One of the famous Irish leaders, Eamon De Valera, inspired many patriots in many lands, including India. In Ireland's struggle for independence, as in India, many parallels could be drawn. There were episodes which recalled Mahatma Gandhi's technique of non-violence, he said.

Noting that the historic city of Dublin, known to Irish as 'Baile Atha Cliath' had left an indelible impression on his mind, the President recalled the contribution of Ireland in producing great writers, creative artists, scholars and scientists considering the small size of its population.

## CPI-M POLITBURO CONDEMNS KASHMIR ATTACKS

New Delhi PATRIOT in English 6 May 82 p 4

[Text] **T**HE Polit-Bureau of the CPI-M has severely condemned the Jamait-e-Islami for 'brutal attack' on CPI-M activists and leaders on May Day in Kashmir and urged the State administration to take stern action against those responsible for the incidents.

In a statement on Tuesday, the Jamait-e-Islami, 'backed by opportunist political elements inside the State and encouraged and supported by Islamic fundamentalists and imperialist agencies from abroad,' was indulging in 'destabilising activities' in Jammu and Kashmir.

That is why, it pointed out, the Jamait had made CPI-M, CITU and Kisan Sabha its main targets of attack.

Presenting an account of the incidents, the DB statement said the 'hoodlums belonging to the ultra-reactionary organisation' first tried to disrupt the May Day rally and later waylaid and assaulted with lathis and other weapons CPI-M state committee secretary Mohammad Yusuf and other party workers with him.

The Jamait-e-Islami elements then extended their attack to neighbouring areas like Balsoo Tarigram where houses belonging to CPI-M workers were attacked, people beaten up, women molested and property looted.

CSO: 4220/7262

## SUPREME COURT RULES ON POWER TO SET UP BENCH

Madras THE HINDU in English 5 May 82 p 9

[Text]

NEW DELHI, May 4.

The Supreme Court today upheld the setting up of the Bombay High Court Bench at Aurangabad and directed that it shall function with full and normal powers.

Allowing an appeal filed by Maharashtra Government against the December 14, 1981 judgment of a Division Bench of the High Court, Mr. Justice A. P. Sen, Mr. Justice E. S. Venkataramiah and Mr. Justice R. B. Misra held that the notification setting up the Bench did not suffer any "infirmary, legal or constitutional."

The Judges said that all cases relating to the Marathwada region comprising the districts of Aurangabad, Bhil, Jalna, Nanded, Osmanabad and Parbhani and now pending before the Court in Bombay, shall be so disposed of as the Chief Justice of the High Court may direct.

In their seven-page order, their Lordships said that the High Court had erred in concluding that the President's powers to establish a permanent Bench or Benches of the High Court of a new State under the provisions of the States Reorganisation Act could no longer be exercised due to lapse of time.

"These powers continue to exist by reason of part V of the Act, unless Parliament by law otherwise directs. The Act is a permanent peace of legislation on the statute book. .... That power may be exercised from time to time as occasion arises," the Judges ruled.

The High Court had struck down the setting up of the Bench on a petition by Mr. N. S. Puranik. The Maharashtra Government then moved the Supreme Court.

Mr. Puranik had challenged the setting up of the Bench which started functioning

from August 27 last year on the ground that the Chief Justice of the High Court, Mr. Justice V. S. Deshpande, had no power under section 51(3) of the States Reorganisation Act to do so.

In their order, the Judges said the power to appoint the sittings of the Judges and division courts of the High court for a new State at places other than the principal seat of the Court, was in the unquestioned domain of the Chief Justice. The only condition was that he must act with the approval of the Governor, it said.

"It is basically an internal matter pertaining to the High Court. The Chief Justice has full power, authority and jurisdiction in the matter of allocation of the business of the High Court".

The opinion of the Chief Justice to appoint the seat of the High Court of a new State at a place other than the principal seat of the Court must normally prevail because it was for the more convenient transaction of judicial business. There was no territorial bifurcation of the Bombay High Court merely because the Chief Justice had directed that the Judges and Division Courts should also sit at Aurangabad, the Supreme Court said.

The judges said: "We are unable to agree with the view that the High Court of Bombay was not the High Court for the new State of Bombay under the provisions of the States Reorganisation Act. The Bombay High Court owes its principal seat at Bombay to the Presidential order under the Act.

The Court will deliver the detailed judgment with fuller reasons later. — PTI and UNI.

## G. K. REDDY ON BACKGROUND FOR INDO-AFGHAN TALKS

Madras THE HINDU in English 28 Apr 82 p 9

[Text]

NEW DELHI, April 27.

The Secretary in the External Affairs Ministry dealing with Pakistan, Afghanistan and Iran, Mr. K. Natwar Singh, will be going to Kabul on May 11 to attend the first meeting of the re-activated Indo-Afghan Joint Commission.

The joint commission has remained in a state of animated suspension after the Soviet intervention, but it was recently revived at the request of the Afghan President, Mr. Babrak Karmal, to provide an institutional forum for Indo-Afghan economic cooperation.

Though he is going to Kabul primarily to attend the meeting of the joint commission, Mr. Natwar Singh will certainly avail himself of the opportunity to call on Mr. Karmal and the Foreign Minister, Mr. Shah Mohammed Dost, to get an idea of their latest thinking on the peaceful settlement of the Afghan problem.

The continued stalemate has made it abundantly clear to the Soviet Union that there can be no military solution to this tangle without resort to excessive force that would be quite self-defeating and counter-productive in the long run. The Afghan rebels also have realised during the last two-and-half years that there is no way of getting the Soviet troops out of Afghanistan except through a negotiated settlement.

**Twin realisation:** It is this twin realisation that has been dampening the spirits of the hardliners on either side and restraining them from resorting to any rash action which could easily recoil on them. If the Soviet command is unable to make fuller use of its military power in fighting the widespread insurgency in Afghanistan, the rebels are no less frustrated by the marked reluctance of both the United States and Pakistan to train, equip and assist them beyond a point.

The result is that neither side is itching for an all-out showdown unmindful of the consequences. The utter helplessness of the Kabul regime in coping with this perplexing situation is matched by the growing disappointment of the Pakistan-based Afghan rebels over their inability to make any headway with their trans-border guerilla activity to compel

Moscow to come to terms with them.

The Afghan people, no matter where they stand in this tragic conflict, are thus exposed to an agonising suspense not knowing what the future holds in store for them. It is a cruel dilemma that has been poignantly highlighted on the one hand by the severe limitations of modern military power in compelling an unwilling nation to submit meekly to the dictates of an imposed regime, and the bitter disillusionment and humiliation on the other hand of a fiercely independent people unable to assert themselves in a revolutionary situation backed by foreign intervention.

The talks that Mr. Natwar Singh will be having in Kabul with Mr. Karmal and Mr. Dost, and the reports of the internal situation in Afghanistan that India has been receiving from its own sources, will enable the Prime Minister, Mrs. Indira Gandhi, to discuss the Afghan situation with the Soviet leaders with detailed knowledge of the problem during her forthcoming Moscow visit. What has really astonished her is not so much the fact of the initial Soviet intervention as the subsequent disinclination to talk seriously of even a partial withdrawal to pave the way for a negotiated settlement.

It is not India's policy to decry the Karmal regime all because it had been installed by the Soviet Union in extraordinary circumstances, nor condone in any way the covert or overt acts of American or Pakistani interference in the internal affairs of Afghanistan under the guise of supporting an insurgent movement. But at the same time it cannot afford to let this dangerous situation prevail on the borders of the sub-continent without endangering its own security environment in the region.

It is for this reason that Mrs. Gandhi keeps on exploring the possibilities of some accommodation by utilising every opportunity to urge both sides to settle this problem. And before she goes to Moscow in early June, she will be making one more effort to see whether their differences could be narrowed down to enable them to at least talk to each other directly without laying down unacceptable preconditions.

## PRESS DETAILS SRV FOREIGN MINISTER'S VISIT

## Banquet Speech 26 Apr

Bombay THE TIMES OF INDIA in English 27 Apr 82 pp 1, 9

[Text]

NEW DELHI, April 26 (UNI).

VIETNAM today called for an end to China's policy of "expansionism and hegemony" which was threatened the independence and sovereignty of the Indo-Chinese states.

Criticising China for attempting to create instability in the region, the Vietnamese foreign minister, Mr. Nguyen Co Thach, said the Chinese had been interfering the internal affairs of the ASEAN countries and had cooked up the so-called Kampuchean problem.

Mr. Thach, who was replying to a toast at a dinner hosted by the P. V. Narasimha Rao, said the Chinese-backed "Pol. Pot clique" had ceased to be a notable force and the situation in Kampuchea was increasingly stabilised.

Mr. Thach said the only way to guarantee peace and stability in south-east Asia was to encourage harmony and co-operation among the countries of the region and the Indo-Chinese states of Vietnam, Laos and Kampuchea without outside interference.

Welcoming India's support to the Kampuchean people, he said, such support would be a decisive factor for peace and stability in the region.

Earlier, Mr. Rao said the Kampuchean issue could be best resolved through discussions and dialogue among the countries concerned.

Mr. Thach said Vietnamese will do their best to consolidate their "pure relationship" with India, making it as firm as the Himalayas.

PTI adds: India hoped for a reduction in tensions in South East Asia in the coming months.

Speaking at the dinner Mr. P. V. Narasimha Rao noted with concern the atmosphere of tension and uncertainties around the globe.

He spoke of the particularly warm and friendly ties existing between India and Vietnam and said: "Our bilateral relations touch upon a number of major facets of our national life."

Mr. Narasimha Rao recalled that both India and Vietnam had been engaged in their respective struggles for national freedom and later Vietnam struggle continued for national consolidation. The two countries could not therefore concentrate on programmes to diversify bilateral relations to the extent desired.

"We have no such constraints now. And as we look back we can be justly proud of all that we have been able to achieve in recent years." His talks with Mr. Thach had revealed a wide range of possibilities for furthering bilateral ties.

Our special correspondent from Delhi adds: India and Vietnam have expressed their deep concern over the continuing tensions in South-East Asia and called for direct talks between the countries of the region to resolve their outstanding issues.

Mr. Nguyen Co Thach, and Mr. P. V. Narasimha Rao reviewed the relations of the three Indo-Chinese states with ASEAN during their two-hour meeting.

India, during the official talks, pledged to step up aid to Vietnam and to offer enhanced technical assistance on a long-term basis. The Vietnamese minister had separate discussions with the finance minister, Mr. Pranab Mukherjee, the agriculture minister, Rao Birendra Singh, and the railway minister, Mr. P. C. Sethi.

The talks were held in an atmosphere of cordiality and mutual understanding, according to a spokesman of the external affairs ministry. The two sides also exchanged views on the forthcoming non-aligned summit in Baghdad, the recent New Delhi consultations on South-South co-operation and the forthcoming special session of the U.N. general assembly on disarmament.

During the talks, the Kampuchean issue also came up and Vietnam reiterated its stand that it would withdraw its troops when the threat from China ceased. A partial withdrawal could begin once the Kampuchean border with Thailand was stabilised.

Mr. Thach mentioned that the Kampuchean refugee problem persisted and the border was also being used as base by the anti-Vietnamese guerillas.

The Vietnamese side also expressed its keenness to secure increased assistance from India. The areas of agriculture and railways were discussed in detail as they form the main sectors of bilateral economic co-operation.

The final round of talks will be held on April 28 when Mr. Thach would call on the Prime Minister, Mrs. Indira Gandhi.

#### G. K. Reddy on Talks

Madras THE HINDU in English 27 Apr 82 p 9

[Text]

NEW DELHI, April 26.

At the Indo-Vietnamese talks today, the Foreign Ministers, Mr. P. V. Narasimha Rao and Mr. Nguyen Co Thach, called for a direct dialogue between the countries of the region to resolve their problems.

This plea came as a reiteration of the earlier stand taken by India and Vietnam that the Kampuchean issue should be settled by the South-East Asian countries themselves without any outside interference.

The ASEAN (Association of South-East Asian Nations) countries, on the other hand, have been pressing for an international conference to settle the Kampuchean problem in accordance with the U.N. resolution. Though Vietnam has been totally opposed to any such attempt to internationalise this question, the Indian view is that, perhaps as a first step towards a wider settlement, the countries of the region should meet to discuss the broad framework for such an accord to promote peace and stability in the South-East Asian region.

The implications of this dual approach have been discussed at length by India and Vietnam at various levels during the last two years, but they have not so far been able to come forward with a formulation that was equally acceptable to the ASEAN countries and the three Big Powers, China, United States and the Soviet Union, in one way or the other are involved in this conflict.

CSO: 4220/7231

## INDO-ROMANIAN JOINT COMMISSION MEETS IN DELHI

New Delhi PATRIOT in English 27 Apr 82 p 5

[Text]

Indo-Romanian collaboration in wide ranging areas such as steel industry, railways, chemical and pharmaceutical projects, machine building, light industries, agricultural and scientific areas were discussed in the Capital on Monday in the first plenary meeting of the sixth Indo-Romanian Joint Commission.

Commerce Minister Shivraj Patil and Romanian Minister for Metallurgical Industry Neculai Eragachi were the co-chairmen of the commission on behalf of their respective countries.

During the talks, the two Ministers agreed to increase cooperation in wide ranging fields and to take all possible steps to promote joint ventures and to achieve a balanced trade between the two countries.

They also agreed on the need to exchange experts between the two countries for identifying specific areas and commodities for bilateral cooperation. The Romanian Minister also suggested long-term arrangements for import and export of commodities between the two countries.

In his initial remarks, Mr Patil stressed that India had developed competence in several fields and could usefully consider proposals to establish joint ventures in Romania for manufacture of automobile parts and components, air compressors, watches, textile machinery and some chemical and pharmaceutical products.

He also urged that both countries should get down to speci-

fics and identify the countries and projects where such possibilities exist for joint industry in project exports or sub-contracting of orders already secured.

Mr Patil was happy to note that the two-way trade between India and Romania had been growing at a faster pace and reached a record level of Rs 1.8 billion in 1981. He hoped that this would be doubled in the next five years or so.

He was, however, of the opinion that the trade was still narrow based and the balance was heavily in favour of Romania with two commodities alone fertilizers from Romania and iron ore from India — accounting — for nearly 60-65 per cent, while most of our trade was still conducted in commodities.

He said that we must widen and diversify trade to reflect the growing industrial base of our economies.

The last meeting of the Indo-Romanian Joint Commission was held in Bucharest in October, 1980. During the fifth session, both sides had reviewed the performance of the Indo-Romanian trade and emphasised the need for taking steps that would further expand and diversify bilateral trade.

The trade agreement between India and Romania was initially signed in 1959 and it is being extended from time to time. The current agreement was signed on 2 December, 1980 and is valid for 5 years from 1981 to 1985.

FIRST INDIAN AIR FORCE MIG-23 SQUADRON OPERATIONAL

Bombay THE TIMES OF INDIA in English 27 Apr 82 p 19

[Article by Yogendra Bali]

[Text] SOMEWHERE IN SOUTH-WESTERN AIR COMMAND, April 26.

The first MiG-23 squadron of Indian Air Force is now totally operational.

It has further toughened the well-know "hardened cover" evolved over the years by the IAF, an air defence system which had paid rich dividends in the past as not a single IAF craft has been shot as a sitting duck during the last two wars this country has had to fight.

Assimilation of the sophisticated MiG-23 craft into an indigenously evolved complete weapons system by IAF in just one year is considered an achievement by all standards. Usually it takes at least 18 months to ensure proper training of pilots, technicians and support personnel for the operational needs of a new military aircraft.

The "hardened cover" evolved by the IAF has been recognised as a significant achievement by military experts all over the world and even NATO forces are understood to be copying it.

Air Marshal J. R. Bhasin, air officer commanding-in-chief, south western air command, explained to reporters visiting the forward air bases in the command that the process of strengthening the air cover took full cognisance of the current threat perceptions from both the north-western and south-eastern regions as well as the Indian Ocean in the south.

He underlined that the IAF was fully prepared in its support role to the army and the navy and to meet the combat challenge in the air from all outside hostile forces with greater confidence and sophistication than in the past.

Weapons System

"We have adequate and close co-ordination with the Indian Navy for combined operations," he said.

Air Marshal Bhasin also explained that MiG-23 was not merely an isolated air weapon but part of an overall and complete weapons system fitting in with the strategy to evolve a diversified and self-reliant air defence. And combat force with the assimilation of capabilities of military craft like the various series of MiG-21s, MiG-25s, Jaguars and other aircraft with different roles and capabilities. "We are always prepared to meet any aerial offence against our skies."

The reporters were shown round by now completely indigenised MiG-23 facilities including operations, maintenance, administration, servicing, repairs, training, radar and electronic control and support systems. They were also shown exercises to demonstrate the flexibility and special features of the MiG-23 in air defence and combat missions.

There was an interesting discussion between the visiting journalists and the top brass of the south-western air command about the relative merits and capabilities of MiG-23 and F-16. Most of the officers conceded that F-16 was a more sophisticated and lighter aircraft, but said MiG-23 was an incomparable aircraft in its own class. Pricewise it cost just about one-third the price of an F-16.

In fact, it had two versions as listed in "Jane's--The MiG-23 BN and MiG-23 MF. Combined together the two versions could be a deadly match to an F-16. While they could perform in a pair almost all tasks which an F-16 was supposed to perform, they could carry a much larger payload of varied ammunition, including rounds, retarder bombs and missiles.

A special feature of MiG-23, they explained, is its capacity to sweep its wings for a very low and slow flight in the 16-degree wing arrangement, to very high and fast flight in the 72-degree wing position. Normally it is flown at the middle wing arrangement of 45 degrees. It is a supersonic aircraft with rated mach-II plus speed. It has an excellent short take-off and short landing capability.

A series of manoeuvres executed by IAF MiG-23 pilot with great skill and confidence during demonstration aerobatics showed the aircraft turning at a height of 100 metres, at a speed of 1,100 km. per hour to pull up vertically for a loop, climbing at the rate of about 12,000 metres a minute. It could change direction at 180 degrees and boom in from the other direction at 1,200 km. an hour. The speed can be brought down to as low as 240 km. an hour.

Since January 26, 1981, when the first MiG-23 made its advent in IAF not only has the first squadron become completely operational, but now complete facilities have been organised for training of pilots and all other technical and para-technical personnel in the country and all future MiG-23 squadrons will be trained at home by IAF.

Discussions with the top brass of south-western air command revealed that there is adequate surveillance of the skies, the IAF is not mainly concentrating its attention on the north but also on the south, its air defence system is now more self-reliant and sophisticated than it was 10 years ago

and it has better deep penetration and survival capability in air combats. As Air Marshal Bhasin said, "Should the situation so require we can go into action immediately."

Of course, the IAF, has no "bowser problem." As a senior commander in the command explained the IAF bowzers were all equipped with the series of 10 micron filters and there were continuous and stringent quality checks on the fuel. If the bowser had 9,000 litres capacity only 6,000 liters of the top layer of fuel was used for aircraft. So far no IAF aircraft had to suffer because of the "fuel problem."

CSO: 4220/7231

SITE CHOSEN ON SUMBA FOR ILLEGAL IMMIGRANTS

Jakarta KOMPAS in Indonesian 25 Mar 82 pp 1, 9

[Excerpt] The government has chosen a location in the western part of Sumba Island as a receiving area for illegal immigrants who cannot be returned to their own countries.

The choice of this location, according to Dr Subagio, public relations section chief of the Directorate General of Immigration, was established through 1982 Presidential Executive Order No 5, dated 25 January. It has not been determined yet when the executive order will be implemented. "But preparations have already begun to be made," said Subagio.

Until now many illegal immigrants have not been able to be returned to their own countries for a number of reasons. Just for example, illegal Chinese (PRC) immigrants are compelled to remain because Indonesia does not have diplomatic relations with the PRC and because other means have failed. Also, there are illegal immigrants who, it turns out, do not have any citizenship. All of these are now located in immigration detention centers and constitute a perpetual burden for Indonesia.

In order to overcome the financial burden, the government then thought about the possibility of "self-support" for the illegal immigrants. At first the plan was to choose an isolated island for them, where it was possible to till the soil or produce something. But the security aspect had to be able to be guaranteed. At a working meeting the Indonesian parliament's 3rd Commission once discussed with the minister of justice the question of locating the illegal immigrants in an isolated place.

The public relations chief of the Directorate General of Immigration admitted that managing the illegal immigrants on Sumba Island as stipulated by the presidential executive order "was something new to him." He showed that even in regard to what the immigrants must do, the most appropriate work has to be considered. If there is a production surplus, what are the possibilities for marketing? The organizational structure, personnel, and the work mechanism are currently being arranged.

Subagio confirmed that to date there are about 2,000 illegal immigrants who cannot be sent home.

9792

CSO: 4213/52

UNNAMED PROVINCES CLOSED TO TRANSMIGRANTS

Jakarta KOMPAS in Indonesian 7 Apr 82 pp 1, 9

[Excerpt] Several provinces outside Java have been declared closed to transmigrants, retroactive to 1 April 1982, the 4th year of the Third Five-Year Development Plan. So stated the deputy minister for transmigration, Martono, Tuesday, after being received by President Soeharto at his residence on Cendana Street.

Martono explained that the decision was made since it was no longer possible to open new farmland in the provinces concerned. The reason is that those areas are already densely populated, both by residents as well as outsiders. But Martono was not yet prepared to name the provinces that had been closed.

The deputy minister said that the names of the aforementioned provinces will be publicized after the national consultative meeting of the Transmigration Coordinating Board, which will be held this May. The meeting will discuss material for reinforcing the board's program, and it will take significant steps in the effort to find accommodations for general and spontaneous transmigrants.

Prior to the national consultative meeting of the Transmigration Coordinating Board, regional consultative meetings are being held in three places, namely in Jakarta as region 1 (this past 30-31 March), Yogyakarta as region 2 (12-13 April) and in Ujungpandang as region 3 (23-24 April). The results of a study on the possibility of creating transmigration settlement areas in Central and East Indonesia will be reported at the regional meetings.

In the future the movement of transmigrants from Java will be directed to Sulawesi, the Moluccas and Irian Jaya. To accomplish this, there needs to be a study of land conditions and the number of transmigrants that can be accommodated.

A routine report was conveyed to President Soeharto, Martono said, regarding implementation of the transmigration program through 6 April 1982. During 1981, 91,711 transmigrant families were moved. But in fiscal 1981-82, 89,969 transmigrant families have been moved successfully. Hence, in fiscal 1982-83, 200,000 transmigrant families must be moved; that is, the target for this fiscal year and the remainder from the previous year.

SUDOMO MAKES OFFICIAL STATEMENT ON 18 MARCH RIOTS

Jakarta KOMPAS in Indonesian 3 Apr 82 pp 1, 12

[Excerpts] Although for the moment evidence has been disclosed regarding involvement of the United Development Party (PPP) members and sympathizers in the rioting incident at Lapangan Banteng and vicinity, that does not mean that PPP as an organization was involved.

This was the official government statement concerning the rioting during the Golkar [Functional groups; government political organization] campaign on 18 March. Admiral Sudomo, commander of KOPKAMTIB [Restoration of Security and Order Command], conveyed the statement at the Information Department auditorium on Friday.

According to Admiral Sudomo, a PPP commissioner in Jakarta has been arrested by KOPKAMTIB in connection with efforts to find the person behind or the mastermind of the incident. Meanwhile, of those persons detained because they were caught right at the time of the incident, most were PPP sympathizers.

Sudomo said that Johnny Naro, SH, general chairman of PPP's Central Management Board, has already been informed about the involvement and arrest of the PPP individuals. And Johnny Naro responded that their actions were not in response to PPP wishes or instructions. For that reason, whoever the people are, the matter is to be resolved according to the laws in force.

The arrest of the perpetrators has been carried out by the security force. As a result of the investigation, witnesses' accounts, and other evidence which has been able to be gathered, it definitely can be stated that the rioting was part of a premeditated plan. The goal of the rioting was to frustrate the Golkar campaign at Lapangan Banteng, Jakarta, demoralize Golkar and AMPI [Indonesian Reform Youth Movement], and also realize strategic, political and subversive objectives. The aforementioned objectives were, among others, as follows: First, it was hoped a spark could ignite rioting of the same sort all over Indonesia, with the goal of circumventing the 1982 general election. The second objective was to shake or discredit the government, so that conditions would be created whereby the populace would no longer believe in the government and opposition to the government would increase more and more until, as a result, the government would be overthrown and replaced.

On 18 March 1982 toward midday the inhabitants of the capital, both members and supporters or sympathizers of Golkar as well as other interested persons, flooded Lapangan Banteng as spectators and participants of the Golkar campaign. The gathered throngs were extraordinarily large and greater than had been expected. The plaza was a sea of humanity.

Around 1400 hours the protocol committee tried to calm the people, who were beginning to become restless because the program was not running smoothly, by shouting out "Long live Golkar!" and raising two fingers. The people responded in like manner.

Suddenly among the crowds were heard very strong and repeated shouts of a group of people who raised one finger, "Long live Ka'bah!" [most sacred Islamic shrine, in Mecca].

The cries went back and forth, "Long live Golkar!" and "Long live Ka'bah!" Then the people divided themselves into two opposing groups. Finally, they fought each other. This had been preceded by the throwing of stones, sandals, shoes and other hard objects, until victims began to fall. The group which cried out "Long live Ka'bah!" appeared increasingly aggressive and determined. They then occupied the platform and later broke it up and burned it, along with all of the equipment.

After that, vehicles parked at Lapangan Banteng and vicinity which the group could reach were wrecked and/or burned.

Security troops which were brought in to control the situation succeeded in dispersing the crowds of people, who then were driven away and funneled toward the Gunung Sahari and Senen areas. From Senen the people channeled themselves toward Cempaka Putih and Salemba.

Still shouting "Long live Ka'bah!", the group continued to destroy and burn automobiles and stone a number of buildings, stores, offices, churches, hospitals and homes they encountered on the way. They were aided by friends who had been waiting for them beforehand at certain strategic locations.

By 1830 hours the security force was in total control of the situation.

In connection with this rioting incident, the security force has arrested 318 persons who were caught in the act of causing damage, or burning vehicles and/or throwing stones at buildings and elsewhere, both at Lapangan Banteng and in the surrounding area.

Of the aforementioned number after selection, 274 individuals were released because it turned out they had just gone along and had been incited. Most of them were primary, junior and senior high school students.

The rest, mostly PPP sympathizers, are being processed, so that their cases can be sent to the courts. It is hoped these cases can be completed in the near future.

Furthermore, as a result of an extensive investigation, new arrests have been made based on tips obtained from the rioters at the square. The arrests will further expose what was behind the rioting incident, both in discovering the perpetrators as well as the instigators or the mastermind. This is still in the investigative process. In this regard, a PPP commissioner in Jakarta has been arrested.

It needs to be clarified that although for the moment evidence has been disclosed regarding involvement of PPP members and sympathizers in the rioting incident at Lapangan Banteng and vicinity, that does not mean that PPP as an organization was involved. PPP members who were involved acted outside of PPP policy lines and took the responsibility upon themselves.

Sudomo said to the press that if news of the Lapangan Banteng incident were carried in the newspapers, on the positive side it could provide a reminder to the public to be careful. But negatively it could raise feelings of concern or fear, particularly at the moment we are conducting the campaign.

"For that reason, I am more inclined for it not to be carried. The contestants themselves are in accord that it should not be published, because later it could exert influence in the provinces. So it is not to cover it up, because, of course, it cannot be. The foreign press has already run it," said the KOPKAMTIB commander.

Only, according to Sudomo, what was published in the foreign press--that there were 10 or 11 persons who died during the incident--was absolutely untrue. "There were no deaths," he said. Four domestic papers, he said, had received warnings because they had carried stories concerning events at Lapangan Banteng.

9792  
CSO: 4213/52

OPPOSITION TO PLANNED TRANSIT PORTS REPORTED

Jakarta KOMPAS in Indonesian 19 Mar 82 p 2

[Excerpts] The close relations between most Indonesian exporters and Singapore importers will hamper government plans for developing Tanjungpriok, Tanjungperak, Belawan and Ujungpandang harbors into transit ports which would take Singapore's place.

KOMPAS learned at the end of last week in Singapore that according to Indonesian traders there Indonesian exporters and Singapore importers, consisting of closeknit families, constitute one link in the capital chain which has become a public secret.

For that reason, this source said, Indonesian exporters and Singapore importers will continue to make every effort to use Singapore as the transit port before shipping to final destinations. If the government simply develops the four harbors without taking other problems into consideration, the effort will be in vain.

At the present time there are four import-export companies in Singapore which control Indonesian coffee, rubber, rattan and pepper exports. The members of this group of "the big four" are respectively Kick Seng Singapore PTE, which controls coffee exports from East Timor, Teck Hok, specializing in coffee exports from South Sumatra, Asiatic Enterprise PTE, dominating a majority of pepper exports from Lampung, and East Commodities PTE, which specifically handles rattan and rubber exports from Kalimantan and Sumatra. The owners of the goods in Indonesia, on the other hand, are their own fathers, children, younger siblings and sons-in-law.

In light of this strong "network," according to the Indonesian traders, if the government is going to make it "mandatory" for the export commodities to be amassed at the four transit ports first, before going to their final destinations, they probably will reject that policy. Their reason is that costs will be higher, since they do not have representatives at the four transit ports who can help to look after their goods. Moreover, a great deal of time is needed for ships to make the trip.

Conversely, the Port of Singapore Authority (PSA) itself will not remain silent vis-a-vis Indonesia's policy of reducing passage rates and warehouse storage

rental fees up to 50 percent. To counter all of these, it is possible that PSA also would lower rental fees for loading and unloading equipment and warehouse fees far below rates in Indonesia. Or, maybe they would not even charge anything. Or, they might express their anger by no longer wanting to take in those Indonesian export commodities. So stated the traders.

Several of these Indonesian traders said further that in order to make the plan to develop four transit ports a success, a review of route patterns is necessary.

A comparison between INSA (Indonesian National Shipowners Association) and SSA (Singapore Shipowners Association) on the RLS (Regular Liner Service) S line (a special line for round trips between Indonesia and Singapore) indicates the following: INSA has 46 shipping units (52,075 DWT) and SSA has 33 shipping units (54,693 DWT). Viewed from the aspect of number of shipping units, INSA, of course, has more units. But Singapore is superior in tonnage.

Expressing their opinion regarding exporters who traditionally always used Singapore as a transit port, these traders said that free port status was one of the main reasons for coming there. Singapore harbor not only is secure from all kinds of disturbances by thieves (even though a ship might drop anchor in mid-ocean), but also ships are available from any country in the world, flying all flags and headed for whatever destination you can think of.

That is one of the victories Singapore achieved in the transit port matter. On the other hand, it is not certain that these ships will be available at the four Indonesian transit ports, in spite of the fact that time is the main objective for exporters. And when speed is achieved, costs will be lower.

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CSO: 4213/52

## OIL PRODUCTION CUTS PROMPT BUDGET REVIEW

Jakarta KOMPAS in Indonesian 25 Mar 82 pp 1, 9

[Excerpts] The government will review the 1982-83 budget because state revenues will decrease after crude oil production is limited to 1.3 million barrels per day. But even though there is a drop in state receipts, the development budget will not be affected.

Minister of mining and energy, Prof Dr Soebroto, made this statement to reporters Wednesday at Bina Graha [Executive Building]. Earlier Prof Dr Widjojo Nitisastro, coordinating minister for economics, finance and industry/ chairman of the National Development Planning Board, together with Minister Soebroto, reported to President Soeharto on the results of OPEC's 63rd extraordinary session in Vienna at the end of last week.

The result of the OPEC session in Vienna was to set a production ceiling of 18 million BPD on OPEC oil, beginning 1 April 1982. Each OPEC member country will be affected by the production cuts, and Indonesia will be limited to 1.3 million BPD. This means Indonesia will have to decrease its exports from the current level of 1 million BPD, because some of the oil is needed for domestic consumption, which, according to Soebroto, is about 590,000 BPD. For that reason, after the production cuts, exports will only be about 710,000 BPD, or a drop of approximately 29 percent.

The president will issue an executive order to implement the reduction, requiring government agencies to curtail oil consumption. These cuts will specifically be directed to motorized vehicles, use of electricity, etc.

The minister of mining and energy said further that the period for the oil production cut to a 17.5 million BPD ceiling will continue only for one quarter. After one quarter passes, world oil demand will begin to rise again, so that OPEC production will be able to increase.

"Oil stocks of the developed countries will drop in the next quarter," said Soebroto, "so they are going to need oil again." The production ceiling will be put into effect on 1 April 1982. With the expectation that the cuts will only continue for one quarter, by 1 July world oil demand should rise and, it is hoped, OPEC production can be increased.

Indonesian exports of crude oil in 1981 reached 383,636,200 barrels. Caltex had the largest exports, with 176,925,800 barrels of Sumatra Light Crude (SLC). This was followed by Handil (44,730,300 barrels), Cinta (40,469,700 barrels), Arun Condensate (21,389,300 barrels), Arjuna (17,611,500 barrels), Duri (17,188,100 barrels), Attaka (15,525,400 barrels), Walio (10,433,900 barrels), Jatibarang (7,923,000 barrels), and Badak (6,507,900 barrels). These are followed by other kinds, such as Bekapai, Udang, Salawati, Sepinggan, P. Juata, Sembakung, Arimbi, NSC and Bunyu.

Caltex is the biggest exporter, with 194,113,900 barrels of Duri and SLC, both of which are 50.6 percent of Indonesian exports. Pertamina [State Oil and Natural Gas Co] exports only 4.5 percent, or 17,176,800 barrels. Then other oil contractors export 172,345,500 barrels, or 44.9 percent.

9792

CSO: 4213/52

ASEAN NATIONS COOPERATE IN FERTILIZER COMPLEX

Jakarta KOMPAS in Indonesian 18 Mar 82 p 2

[Excerpt] Vice President Adam Malik officiated at a ceremony on Tuesday, 16 March, for the building of a fertilizer plant which is the result of industrial cooperation among the five ASEAN countries. The plant is to be managed by PT ASEAN Aceh Fertilizer (PT AAF). At the same time the vice president officiated at a ceremony for the construction of PT Iskandar Muda fertilizer plant and pier A at PT AAF's port.

These three projects are located in a region near Lhok Seumawe, North Aceh [Sumatra]. The first project, PT AAF, encompasses a 288 ha area, including the factory area, port, a green belt around the plant, water supply and pipeline, and a housing area.

Approximately 77 percent of the funds is coming from a Japanese government loan. The remaining 23 percent is to be deposited by the five ASEAN nations. Indonesia's share is 60 percent; the Philippines, Malaysia and Thailand each have a 13 percent share; and Singapore has a 1 percent share. Total investment is to be about \$410 million.

It is hoped construction of PT AAF will be completed at the beginning of 1984. In the future the plant will produce 570,000 tons of urea fertilizer per year. Production output will be used mainly to meet the needs of the ASEAN countries.

Total planning and construction of PT AAF and the port are being handled by the chief contractor, Toyo Engineering Corporation, Japan, while construction of roads and housing facilities, which had begun in stages at the end of 1979, is largely being carried out by local contractors.

In addition to the PT AAF project, the PT Iskandar Muda urea fertilizer plant is going to be built. To that end, a land area of 276 ha has been purchased. The project is to be started this year and, according to plan, is to be completed and in production in 1984.

PT Iskandar Muda itself will produce 570,000 tons of urea fertilizer per year. Construction of this plant will be handled by PT Rekayasa Industries, in addition to Toyo Engineering Corporation. PT Rekayasa Industries will be responsible for managing project construction.

Tied to construction of PT Iskandar Muda is the establishment of an industrial center for the production of olefin, which is the basic material for various chemical compounds.

Distribution of urea produced by PT Iskandar Muda will be carried out by PT Pusri, in coordination with the national distribution of fertilizer.

Officiating at the ceremonies for the aforementioned projects, Vice President Adam Malik said that construction of the PT AAF port at Lhok Seumawe has a dual purpose. Apart from fulfilling industrial needs, the port will play a significant role in the development of the region's economic potential.

9792

CSO: 4213/52

STUDENT ATTACKS ON NEWSPAPERS IN LAHORE STIR REACTION

Demand for Students' Release

Karachi JASARAT in Urdu 28 Apr 82 pp 3, 6

[Article: "Professor Ghafor Demands Government End Violent Tactics and Honorably Release Students; Rivals Should Ignore Mutual Hatred for Sake of Country; Unsavory Elements Causing Troubles; Intrigues of Nation's Enemies Working in the Newspapers Should Be Noticed"]

[Text] Karachi, 27 April--by staff reporter--The prominent leader of Tehrik-e-Islami (Islamic Movement), Prof Ghafur Ahmad, has demanded that the government suspend its policy of oppression and honorably release all of the arrested students. In a statement tonight, he said that the recent incidents in Lahore and their causes were very unfortunate and he wished they had never happened. But now, he said, it was expected that both sides would make up in view of our country's internal and external situation. The government can play an important role in this respect, but, to the concern of all patriotic people here, this incident is still being kept alive. The government's oppressive policy is making the situation even worse. Prof Ghafoor added that this incident is not the most serious incident to have shattered the peace. Robberies, thefts, bank holdups and even political murders have been committed all the time. The worst of these was the soul-shaking crime of the degradation of Koran, but the government was never able to bring the offenders of such crimes to book. On the other hand, the students in this case have already been jailed for a minor incident after a summary trial. Apparently some elements are interested in making the situation worse. Prof Ghafoor again asked both sides to forget their personal enmity for the sake of the greater good of the country. He appealed to the government to reconsider its stand, suspend the policy of suppression and acquit all students honorably.

Advocate Chowdhary Mahmud Ahmud, general secretary of the defunct Jamaat-e-Islami in Punjab, has expressed concern at the antagonism between the students and two newspapers and has appealed to the governor of Punjab to release the students in order to keep the situation from getting worse. The state secretary of the Jamaat said that this incident occurred as the result of momentary anger and that the members of Indian and Russian lobbies working at the JANG office had hatched this conspiracy with the cooperation

of some members of the airport security force. He added that it was a sad thing that antistudent comments were being published in the newspapers about the natural reaction by the students, but that no mention was being made of the actions of the traitors who work in those newspapers. The freedom of press should be protected, but it does not mean freedom to disobey all legal and moral rules. It is very depressing to note that while punishment is being announced for the students, nothing is being done to curb those elements in the newspapers or the journalists. To top it all, the Governor of Punjab has spoken in favor of the newspapers' proposed strike. He added that it is impossible legally or morally to tolerate the publication of such baseless, fabricated, insulting and irritating news as part of a systematic plot to destroy the credibility and honor of a group.

#### Karachi Municipal Corporation Row

Karachi JASARAT in Urdu 28 Apr 82 p 2

[Editorial: "Violence--A Vote of Confidence"]

[Text] There was an uproar in the recent session of the Karachi Municipal Corporation. This uproar was caused when one of its members labeled Islami Jamiat-e-Tulaba a violent group. The members of the corporation took serious exception to Mr Gulam Mohamed Chishti's accusation. Most of the members expressed their resentment toward these remarks by standing in their seats. They demanded the expulsion of the offending member. The mayor asked Mr Chishti to take back his remarks but he refused. The staff in attendance at the municipal hall was then directed to expell him physically. At that point, other members yelled "shame." While leaving the meeting hall, Mr Chishti accused Mayor Afghani of being a fascist and terrorist. Mr Chishti raised this hue and cry when the mayor refused to allow his motion concerning an attack on two newspapers in Lahore. He added that Mr. Abdul Khaliq Allahwala had already given him permission to present his motion before the arrival of the mayor. The entire membership present, however, claimed that he was lying. Mayor Afghani was forced to say that he was persistent with his falsehood.

This decision was made by the country's largest municipal body of elected members. A member of this body labeled Islami Jamiat-e-Tulaba a terrorist group and the whole membership stood up against this accusation and yelled, "Chishti is a terrorist himself and is spreading terror." They took quick action against the blatant accusations against Jamiat-e-Tulaba and expelled that member from the meeting hall. Nobody was ready to listen to such a baseless and stupid accusation against Jamiat-e-Tulaba. This perjury and fabrication on the part of the member has been justly punished according to the rules and regulations of the municipal corporation.

The members of Karachi Municipal Corporation are elected by popular vote; they could not accept accusations of violence against Islami-Jamiat-e-Tulaba and so took action against the offender. The reaction of these members makes us wonder how the members of Islami Jamiat-e-Tulaba felt when those two newspapers in Lahore accused the group's president of attempts

to hijack a plane--and to Kabul at that. The newspaper must have caused quite a stir with its eight-column banner to spread this baseless accusation. The follow-up on this invented news must have excited many people.

Now, should we treat the decision of the municipal body as a final vote of confidence in Islami Jamiat-e-Tulaba, or should we punish all the members for expelling a member for his lies and violent behavior?

7997

CSO: 4203/122

EDITORIAL DEPLORES KHAN FAMILY ACTIVITIES IN AFGHANISTAN

Lahore NAWA-I-WAQT in Urdu 20 Apr 82 p 5

[Editorial: "Best Time To Serve God"]

[Text] Khan Abdul Wali Khan is back in Pakistan after visiting his father in Kabul. At Torkham border, he was seen off by Mr Solayman Laeq, minister of nationalities [and tribal affairs] of the puppet government of Afghanistan, and Ajmal Khattak, who, a few years ago, had fled to Kabul where he engaged in anti-Pakistan propaganda more intense than that of his own Afghan bosses and benefactors. He is still consumed with the desire for revenge against Pakistan. Reportedly, Wali Khan was greeted enthusiastically by the same group of people when he first arrived in Jalalabad from Peshawar. On his departure, he was given a military guard of honor. Congratulations to him for this honor!

According to Wali Khan, the purpose of his visit to Kabul was his concern for the health of his father, who had suffered a fractured hip. However, it is not known if he ever noticed the blood of the millions of Afghan martyrs or had time to visit thousands of Afghans in all corners of the country who are the victims of atrocities committed by Babrak Karmal and his Russian masters. Undoubtedly, but not surprisingly, his sick eyes could not see the miserable condition of the families of the martyred and wounded Afghans because the same eyes had failed to see the refugee settlements near Peshawar. How could one expect him to notice the destruction and ruin in the suburb of Kabul?

Since Wali Khan and his father, the Sarhadi["Frontier"] Gandhi, had often indicated their kinship with the Afghans, it was expected that they would cry their hearts out at the unnecessary bloodshed. Instead, Bacha Khan, the father, became a permanent guest of Babrak Karmal, who is responsible for the deaths of tens of thousands of Afghans. Wali Khan also enjoyed his hospitality for 3 weeks. At first it was understood here in Pakistan that Bacha Khan had a blood relationship with the royal family and, as such, preferred to be called Bacha Khan [the king] and named his residence at Charsaddah Shahi Bagh [the Royal Garden]. Despite the fact that his dream to become king never did come true due to the existence of Pakistan, he nevertheless accepted lavish hospitality bestowed on him by the royal Afghan family, simply to satisfy his ego. After Zahir Shah was overthrown

by his own cousin, Bacha Khan, promptly forgetting all the kindnesses of his former host, became a guest of Daud Khan. Upon Daud Khan's death, he let Taraki take him as his guest and, after him, it was Aminullah Hafiz's turn to treat him as his guest. Presently, he has developed a relationship with Karmal, who rode into Kabul on a Russian tank. Although several of his hosts have departed empty-handed, yet his desire to let others serve him remains unchanged.

He has always proudly claimed himself to be a Khudai Khidmatgar [servant of God] and charged that Pakistan never gave him a chance to do so. The fact is that all his life it was he who was served, either by the Hindu Congress or the Afghan rulers. Since 1947, Indian rulers have been serving him with bagsful of money. Ironically, while the entire world is protesting the persecution of Afghans, the Khudai Khidmatgars are staying with the persecutors as their guests. At present there are some 2.6 million refugees, among them large numbers of children and women, who deserve most of all humanitarian aid and sympathy. There could never have been a better time than now for Bacha Khan and his son to serve God by heading for the refugee camps. But they have failed to do so. They have been insensitive to the sufferings of the same Afghans whose help they had sought in their attempt to create a "greater Pakhtoonistan."

Sarhadi Gandhi and his family demonstrate unity with Babrak Karmal, the ruler, who rode into Kabul on a Russian tank and has, ever since, been a life sucker for Afghan Muslims. Wali Khan speaks highly of this Babrak Karmal. It is hard to imagine Wali Khan as a Russian agent. Regrettably, he is going against the position taken by Pakistan, Iran, other Muslim countries and the third world in supporting Babrak Karmal's position, which in fact is the Soviet position because Babrak Karmal is a mere pawn in the Soviet game.

Mr Wali Khan has disclosed that his father will return to Pakistan when allowed by his doctors. It is not clear what he actually meant by the term "doctor"--whether medical or political doctor. Anyway, he is free to return whenever he feels like it. We wish him a very long life and also the will to serve Afghan refugees. There is no better way for him to serve God. We suggest that he bring with him the 8 million rupees, which by now must have increased to over 10 million, received by him from India. If he does this and spends the money on the refugees, it would be considered a very appropriate and noteworthy act on his part. Besides, he will also be rewarded by God, which all Muslims his age most desire.

9484

CSO: 4203/117

## AID AGREEMENT WITH UNITED STATES SIGNED

Islamabad THE MUSLIM in English 14 Apr 82 p 7

[Text]

ISLAMABAD, April 13: The Governments of Pakistan and the United States signed here this morning an agreement under which the United States would provide \$60 million assistance to Pakistan.

The agreement is the first in a series which the two countries anticipate to conclude over a period of five years for \$300 million to be utilised by Pakistan to finance an agricultural commodities and equipment programme. Besides providing balance of payments support, the programme would result in increasing agricultural production in the country.

The first year's allocation of \$60 million will be used to import about 113,000 metric tons of the fertiliser diammonium phosphate, and will allow for purchase of heavy equipment required for canal

rehabilitation work. While the fertilizer will be financed from concessional credit of \$34 million, equipment will be financed by a \$26 million grant.

The terms of the concessional credit include a ten-year grace period with the loan to be paid back in forty years. During the grace period the interest rate is 2 per cent for the remaining thirty years, the rate is 3 per cent.

The US Ambassador, Ronald I. Spiers and the USAID Director Donor M. Lion and the Secretary Economic Affairs Division Ejaz Ahmad Naik signed the agreement on behalf of their respective Governments.

Commenting on the occasion of signing ceremony, the US Ambassador said the agreement was part of the American \$1.625 billion six-year economic assistance for Pakistan. The agreement, he said, provided the first \$60 million

of what was expected to be upto \$300 million over a five-year period to finance imports of commodities and equipment. The agreement would boost Pakistan's balance of payments position and support country's efforts to enlarge agricultural production and move towards the goal of increased agricultural self reliance.

The Economic Affairs Secretary in his remarks expressed appreciation over the US assistance for promoting the agricultural sector which constituted back-bone of the national economy, basis of country's major development investment and the mainstay of its exports. He said the US assistance had played a significant role in the economic development of Pakistan.

He hoped the fruitful and positive Pak-US economic co-operation would continue growing in future.

CSO: 4220/601

## TWO-PART ARTICLE RIDICULES OMBUDSMAN IDEA, EFFORTS

Islamabad THE MUSLIM in English 12, 13 Apr 82

[12 Apr 82 p 4]

[Article by Hassan Habib]

[Text] Apart from the brilliant discourse of the Law & Parliamentary Affairs Minister, and half a dozen other members, the Federal Advisory Council, during its recent discussions, showed little awareness of the institution of the Ombudsman. This should not be surprising. Ten years before Britain introduced the Ombudsman in 1967, there were few in the country who had heard about it. Now the Law Minister reminded us that the office is functioning in 40 countries. But a decade later what happened to the British Ombudsman (Parliamentary Commissioner), hedged in as it was from the outset with numerous constraints? The P.C. was charged to investigate and expose any misuse of government power as it affects the citizen, but the elitist Administrative Class of the Civil Service (having earlier opposed the institution as an interference with the principle of ministerial responsibility to Parliament, under which misdeed of bureaucrats can be covered) succeeded in ensuring that the Ombudsman himself was always one of them; his entire staff, now 100 individuals, have been and still are, all civil servants. The Adminis-

trative Class of the Civil Service justifies this on two grounds: 'set a thief to catch a thief' and a civil servant knows the public administration 'inside-out', but discerning observers of the scene look at it "as if a regional crime squad was headed by a retired convict and staffed by career burglars". The lesson is that when rival power centres are set up outside the elite ruling-class bureaucracy, this group, having the power and the influence, quickly sets out to neutralise these rival centres. No wonder the Ombudsman in U.K. began to be known as *Ombudsmouse*!

A similar fate may await the future Ombudsman in Pakistan. The trends indicating this are fairly visible. Based on the Swedish institution, an Ombudsman for Pakistan was first strongly recommended by the West Pakistan Study Group on the Toning Up of Provincial Administration (1969). In Sweden the Ombudsman is elected by an electoral college chosen from members of the two houses of parliament. There can be several deputy Ombudsmen. A military Ombudsman was also appointed. Any citizen can bring a complaint, even a prisoner. It is an important concern of the Swedish Ombudsman to safeguard the freedom of the citizens particularly in case of their arrest and detention. Sweden and other Scandinavian countries have successfully demonstrated that the Ombudsman is independent of

the executive and is a champion of the people's voice against the insolence of public office and the arrogance of public power as represented in the higher bureaucracy. In Pakistan in the 1970s, the idea began to gain favour, and for the first time a formal provision for its creation was made in the Interim Constitution (1972), and the office was spelled out in Section 276. Provision was also made for provincial Ombudsmen. But in the final Constitution of the Islamic Republic of Pakistan, the proposition was relegated to the fourth schedule of the federal legislative list in two words. . . . 'Federal Ombudsman', under the unlucky number 13. Meanwhile the then Federal Government did set up an office intended to be passed on as 'Ombudsman' - - Prime Minister's Representative for Administrative Inspection. This was our first mouse - - no disrespect to persons intended - - in the Ombuds context.

The office achieved little by way of receiving and redressing citizens' complaints; it never had the tools, although a fine person and an able and honest administrator, the incumbent was a higher bureaucrat in principle; some procedures were improved, for instance the issue of passports, but there is nothing much to show in line with the Swedish Ombudsman-pattern. Indeed in our efforts in this direction, we do not seem to have moved beyond the 'inspection team' concept, with which we have been familiarised since the early 1960s. Thus we have had the Governor's Inspection Teams, the President's Inspection Teams, and now on the same lines, a Federal Inspection Commission. Somewhat similar

was the Vigilance Officers Scheme which we have known since the middle 1960s. Today we also have a Vigilance Commissioner for the Punjab under the Punjab Administrative Vigilance Commission Ordinance, 1979. Heads of all these teams and commissions have been higher bureaucrats, invariably drawn from the elite 'generalist' class, which derives its inspiration character and lineage from the elitist British Imperial Civil Service of the empire days. Not a dent has been made in maladministration or corruption in fact both have got worse.

Basically, Ombudsman is a one-man institution; in the present circumstances it will be very difficult, if not impossible, to find such a one-man to man the institution, who will found and develop it as the nation's watch-dog of the ordinary citizen's rights, who will have the courage, competence and power to blow the whistle on outdated systems and procedures, on a powerful higher bureaucracy wedded to the status quo; surely it cannot be a man from the same higher bureaucracy, which first of all itself needs change and reform. Instead, to start with, might it not be better to let each major department/ministry have a high-powered complaints commissioner from outside the executive, but having acquired some knowledge and insight into the working of that department/ministry. Why not immediately start with the Railways, the Police, the Telephone Department, the Transport Department, the major Municipal Corporations, - - - all directly close to the deepest concerns and conveniences of the citizens.

Another very valuable field of operation for the grievance-man is the newspaper, which someone described as 'the final watchman', especially when one recalls the Pentagon Papers, the Watergate exposures. One Urdu daily runs a regular feature on this aspect, and virtually plays the role of a 'Newspaper Ombudsman'. An English paper from Karachi (now closed) had started a regular complaints feature. The Muslim itself has been playing a useful role in this connection. It is for the Departments concerned to respond positively and generously, not to confine themselves to issuing 'contradictions' which only go to confirm the bad news.

### A LITTLE CORRUPTION

As for corruption, what can an Ombudsman do when every department, every agency is supposed to be riddled with it. It may be much better and manageable to tackle

the top few first, and to start with little things, such as misuse of transport and staff cars by the higher bureaucracy, the concocting of log-books, other 'minor' abuses. And no one should say, what harm, a little corruption, some even say it greases the wheels of progress and development. The ultimate answer to corruption is genuine Islamisation, when Capitalism, Materialism, Elitism, Greed and Profit Motive are eradicated and we move towards an egalitarian society where there are no really rich or really poor, and national wealth is equitably distributed, and national resources, including human, professional talent, are provided full opportunity to blossom and flower.

### ISLAMIC TRADITION

As regards the Islamic tradition in the handling of people's complaints and grievances, there was the special branch of justice, *Mazalim* Courts, which dealt with the infringement of the rights of citizens by public servants. This was distinct from the other two major branches of justice, - - - *Diwan-ul-Qazi* for ordinary crimes and *Saysat* for political crimes against the state. The practice of *Mazalim* Courts was not institutionalised until Hazrat Ali's tenure of office. One may quote here from his well-known directive to Malik-e-Ashtar, Governor of Egypt:

"Out of your hours of work, fix a time for complaints and for those who want to approach you with their grievances. For this purpose you must arrange public audience for them, and during this audience, for the sake of God, treat them with kindness, courtesy, and respect. Do not let your army and police be in the audience hall at such a time so that those who have grievances against your government may speak to you freely, unreservedly and without fear. All this is a necessary factor of your rule because I have often heard the Prophet (mpbuh) saying: 'that nation or government cannot achieve salvation where the rights the depressed, destitutes and suppressed are not guarded, and where mighty and powerful persons are not forced to accede to these rights.'

You must take care not to cut yourself off from the public. Do not place a prestige curtain between you and those over whom you rule. Such pretensions and show of pomp and pride are in reality manifestation of an inferiority complex and vanity. The result of such an attitude is that you remain ignorant of the conditions of your subjects and actual causes of incidents happening in the State." (Nahj-ul-Balagha)

[Article by Aziz Beg]

[Text] Now that the Ombudsman Order has been adopted by the Majlis-e-Shoora, the people are anxious to greet the official appointed to investigate individuals' complaints against public authorities. The Legal Analysis and Research Forum a non-political body of senior lawyers, has sent findings of its study on Ombudsman to the Chairman Majlis-i Shoora, the Chief Justice of Pakistan and the Federal Law Minister claiming that it (Ombudsman) was not the remedy for corruption and malpractices.

All these years we have been hearing of commissions and committees to enquire into matters as diverse as Liaquat's assassination and freighter crash, food crisis and failure at Tarbela; but our rulers never thought of an enquiry commission manned by Supreme Court Judges, to conduct a probe into corruption which has permeated all departments of our national life. And, whenever we learnt that an anti-corruption crusade is about to be launched, all we had to read in newspapers was that the peon of a tehsildar had been fined rupees five, a panwalla had been hauled up for charging ten paisa extra for a packet of cigarettes, and a patwari in Jar-anwala had been suspended. What we really needed was a high-powered judicial commission to report on such cases where public figures - Governors, Ministers party leaders - were found guilty of: (a) weakening the political and economic foundations of Pakistan in the discharge of their duties as public dignitaries; (b) Overt acts of commission which could only be committed by those who misuse their positions of power.

More specifically, what we needed was some sort of a permanent committee for the prevention of such activities, dealing largely with the conduct of public men. Firstly, its deliberations should have been confined to cases of indiscretion - like wasting public

money, unwittingly giving out State secrets, misbehaving towards members of the public etc., In private life, one is immediately penalised for such acts by the inexorable forces of society and economic competition. But, in public life, the guilty are often able to save their skins with the help of their official or political position. In the second category of public offences come those who accept bribes, secure allotments or demand a share in business deals because they happen to occupy a position of authority and patronage. Again, in private life, such cases hardly go undetected or unpunished because the aggrieved party enjoys the protection of law courts. But in public life, many cases of corruption are scarcely reported and seldom taken up for enquiry because the guilty happen to be in possession of power - the power that gave them a chance to be corrupt is the power they misuse for their protection and safety.

When PRODA (Public and Representative Offices Disqualification Act) began its 'abnormal operations' in 1949, it did not add a new word to the language or a new institution to the machinery of government but a new chapter to the biographical anthology of politicians. It was an Act 'to provide for the debarring from public life for a suitable period of persons judicially found guilty of misconduct in any public office or representative capacity or in any matter relating thereto'. The politicians, ministers and other public leaders were so scared that they called it "a form of impeachment", a coercive measure and a potent weapon which could be misused. Thus, PRODA was repealed, "because the Assembly thought it had been misused". Thus, an instrument designed to combat corruption at the highest level fell a prey to corruption - it agreed to be misused. But, meanwhile, PRODA had almost acquired the personality of a Public Prosecutor and moral censor. Public opinion in the country was strongly arrayed against its abrogation. Mr. Proda was found guilty and dismissed. It will be recalled that this honourable

gentleman was appointed soon after the birth of Pakistan to catch the corrupt among the high public dignitaries but since there appeared to be a general premium on corruption, he was over-powered and soon lay prostrate, licking the sacred dust of Pakistan. *He was commissioned by the Quaid-i-Azam to create a nation of gentlemen*, but our gentlemen thought that he was a Frankenstein created to destroy them. Many say that he was one of the finest gentlemen Pakistan has so far produced: he was loved by the lowliest and feared by the highest in the land. But restrictions were imposed on the public activities of Mr. Proda and he was deprived of some of his dictatorial powers but, strangely enough, even his emaciated form seemed to strike terror into the hearts of our politicians. The charges against him were grave enough. It was said that Mr. Proda was not only an alien but is not even a denizen of this world because there is no gentleman like him in any country. Must we say that he was supposed to deal with gentlemen the like of whom we don't find anywhere in the world. The second charge against Mr. Proda was that he always chose to hang over the Ministers' heads like the proverbial sword of Damocles and thus demoralised our "patriotic politicians". In other words, he was guilty of preventing and obstructing our leaders from performing their duties as public servants. But, if Mr. Proda represented the fear of public opinion, and our ministers were afraid of public opinion, why did they not leave public life and chose a more private profession. The third charge against Mr. Proda was that he easily allowed himself to be 'misused'. According to anti-Prodaists, it was quite a serious allegation because in a country like Pakistan where ministers are always in danger of being misused, the presence of a gentleman who lets his position be abused by others is highly prejudicial to public peace and stable government.

Having nervously watched the birth and demise of PRODA, one is constrained to say that nothing fails like failure. It remains to be seen what fate awaits Ombudsman.

CLARIFICATION ON QADIANIS

Karachi DAWN in English 21 Apr 82 p 3

[Text] ISLAMABAD, April 20: Federal Minister for Information and Broadcasting, Raja Mohammad Zafarul Haq declared here on Monday that Qadianis and Ahmadis were non-Muslims and continued to be non-Muslims.

Replying to a question by Qar Saeed-ur-Rehman, during the Question Hour, Raja Zafaru Haq, who is also Acting Law Minister, said there was no ambiguity in the constitutional status of the Qadianis, only certain people had tried to create doubts in this regard.

However, he said, "all doubts and misgivings regarding the constitutional status of Qadianis have been removed by the President's Order No. 8 of 1982, made on April 12, 1982. It has been declared and reaffirmed in the said Order that the inclusion in the first schedule to the Federal Laws (Revision and Declaration) Ordinance, 1981 (XXVII of 1981) of the Constitution (Second Amendment) Act, 1974 (XLIX of 1974), which incorporated the aforesaid amendments in the Constitution of the Islamic Republic of Pakistan, 1973, did not and shall not alter the position of persons of the Qadiani group or the Lahori group (who call themselves "Ahmadis") as non-Muslims, and they continue to be non-Muslims".

CSO: 4220/602

WIDE RANGING TRADE AGREEMENTS WITH IRAN SIGNED

Karachi BUSINESS RECORDER in English 21 Apr 82 p 1

[Text] ISLAMABAD, April 20: Pakistan and Iran will trade dollar 500 million worth of goods both ways, over the next 12 months, Ghulam Ishaq Khan, Minister for Finance and Commerce said here today.

He said the trade between the two countries could range between dollar 400 to 500 million. it means each country will be exporting around dollar 200 to 250 million goods in the next 12 months. This is part of a short-term agreement, which the two countries signed, during the minister's visit to Teheran from April 17 to 20. The minister made this statement on his return from Teheran.

The two countries have also made an agreement under which Pakistan will import 10,000 barrels of Iranian crude oil a day, or nearly half a million barrels over the next one year, at prices "advantageous to Pakistan".

Under the short-term trade agreement, Iran will import from Pakistan, several types of goods, including textiles, cotton and woollen yarn, cotton fibres, one-day old chicks, rice, iron and steel products, carbon black, other chemicals, fertilizer, sugar and fish-meal.

Pakistan's imports from Iran will include: crude oil, zinc, lead sulphur, saffron, raisins, oilseeds and medicinal herbs.

The agreement provides that Iran will purchase 100 million metres of textiles in the next 12 months.

The price of each item will be negotiated before a contract for purchase is signed.

The two countries also signed a five-year long term trade agreement, for which annual protocols will be signed before the start of the relevant years.

The long-term agreement replaces the existing agreement which was signed in 1975.

## Payments Accord

The two countries have signed a one-year payments agreement to facilitate trade under the short-term agreement. It provides for settlement of accounts between the State Bank of Pakistan and the Bank Markazie Iran. Accounts for trade will be settled at the end of 30-day periods, and a final settlement at the end of 30-day periods.

A Pakistan-Iran committee will be formed to meet occasionally and oversee the flow of trade as well as promotion of economic cooperation.

Pakistan and Iran have also agreed to have a bilateral trucking arrangement under which trucks registered in one country and carrying goods from one country will be permitted to go upto their destination in the other country. Details of the arrangement will be finalised through normal diplomatic channels.

Under a memorandum of understanding to be signed between the two countries, the National Iranian Oil Company will rent rigs and other equipment to the Pakistan Oil and Gas Development Corporation for drilling exploratory and development wells.

The officials of the two countries have also agreed to an arrangement under which Pakistan Railways will undertake repair and maintenance work, including supply of spares, for the Iranian railway locomotives.

The two countries will collaborate in the field of shipping, ship repairs, and port operations, for which officials will work out necessary details.

CSO: 4220/602

## ZIA FOR ENCOURAGING FOREIGN INVESTMENTS

Karachi DAWN in English 21 Apr 82 p 1

[Text]

LAHORE, April 20: President Zia-ul-Haq said here today that patronage to the private sector and foreign investment in Pakistan was the cornerstone of the economic policy of his Government. The private investors were at liberty to set up industries of their choice and the Government was willing to remove the procedural difficulties, he added.

In his address at the inaugural ceremony of the Imperial Chemical Industries polyester staple fibre plant on the Sheikhupura Road, about 30 kilometres from here, Gen Zia said the Government was indebted to the entrepreneurs for taking interest in the development of the country. To restore their confidence, which was damaged in the past he and his colleagues had been devising ways and means to take multi-dimensional steps, he said.

During the tenure of his office he said industrial projects worth Rs. 36 billion were sanctioned in the private sector though the majority of the same were not set up physically. By seeing these steps the policy of his Government towards the private sector could very well be determined, he pointed out.

Gen Zia said foreign investors would be treated equally as far as the sanctions of industries and other investment facilities

were concerned. The policy of confrontation between the Government and the business and investors, which was adopted in the past, had now been replaced with an atmosphere of congenial understanding because the present regime wanted to pursue national development with the active participation of the entrepreneurs.

He, however, advised the entrepreneurs that the benefit of industrial development should also be shared by the people, who were the real users of consumer goods.

The President expressed his confidence that with the development of the private sector consumer items would be available at cheaper rates.

Gen Zia especially referred to the steps now being taken by the Ministry of Finance for the promotion of private sector and remarked that the Ministry, which was once considered a cold storage, had now started working in accordance with the desire of the majority.

Earlier, Mr J.R. Rahim, Chairman of ICI group of companies in Pakistan, presented his address of welcome.

APP adds: While inaugurating the IMT tractor plant set up in the private sector with the collaboration of Yugoslavia, President said that the agricultural policy of the Government was

aimed at rapid development of agriculture on modern lines as an industry, not only to achieve food autarky but also produce surplus to meet the needs of the neighbouring and friendly countries.

The President said the Government was particularly encouraging the establishment of industries which were designed to contribute towards the development of agriculture in the country.

He said the Government had sanctioned four tractor plants, two each in the public and private sectors. He said the IMT plant, which was completed in a record time of 10 months, was a living symbol of Pakistan-Yugoslavic cooperation and collaboration.

The President said it was a happy augury that the farmers were switching over to the use of inputs like modern agricultural equipment, fertiliser and insecticides. But, he added, the country could not afford all the time to depend on imports of all such things. It was a high time that efforts were made to set up industries of these things within the country, he stressed.

He said Pakistan had very close friendly relations with Yugoslavia. Both the countries stood for world peace and security as the members of the Non-Aligned Movement.

MAHBUBUL HAQ ON BUREAUCRATS AND THEIR HOLD ON ADMINISTRATION

Karachi MORNING NEWS in English 17 Apr 82 p 7

[Text] The Number of "22" seems to continue to haunt Pakistan. First there were the notorious and much maligned businessmen, '22' of them reportedly, who cast a spell on the socio-economic scene of Pakistan.

The battering the businessmen received following the loss of East Pakistan and the recession which followed in quick succession in the early seventies and a spate of nationalisation of several industries set the erstwhile industrialists reeling under their impact. Due to tight credit, creation and continuing role of public corporations in trade and industry and the burgeoning costs of building their infrastructure and reports of maladministration the Pakistan businessman has not yet been able to extricate from his lilliputian stature to which he has been relegated. He has not found his newly defined role in the economic landscape as he finds no proper avenues to build his capital, invest or expand.

Now, however, Dr Mahbubul Haq has castigated the "22" Bureaucrats who, he believes, are truly entrenched and have created straight-jacket on the Pakistan economy. Dr Haq has declared that if the economy has to be set free as envisaged and planned, only the debureaucratization of administration could lead to the necessary withdrawal of controls, restrictions and other constraints. So the "22" Bureaucrats are now under fire. We believe we can neither banish the businessman nor the bureaucrat from Pakistan. What should be done is to draw on the talent of the bureaucrats to plan and project the future course of economic revival and expansion and leave the actual implementation and execution of economic performance to the private sector.

A welcome and much anticipated step in this direction would be to denationalise most of banking, insurance, the PVC and soda ash plants, the vegetable ghee units and motor assembly and also allow private sector to compete in cotton and rice exports. If we do not follow a clear line of action immediately, we may have to find another set of scapegoats for the malfunction of our economy, provided they are "22" in number.

CSO: 4220/601

TOURISM PROMOTION CAMPAIGN LAUNCHED

Karachi MORNING NEWS in English 20 Apr 82 p 5

[Text] Begum Viqarunnisa Noon, Chairman, Pakistan Tourism Development Corporation has said a vigorous has been launched to promote tourism all over the country specially in Sind and Baluchistan.

She said that she visited the Lasbella and the Hub Dam for the first time and visualised bright prospects for providing the tourists with natural resort.

Begum Noon said the Department of Tourism has a plan to build small rest houses, and motels to provide facilities to tourists in this area.

About Gadani Beach. she said the encroachments was to be removed and the place closed to foreign tourists, will open shortly after the development projects is completed.

She said small projects would be helpful in running ongoing projects.

Referring to Baluchistan she said it was very rich in its cultural heritage which has to be exploited.

Similar plans are prepared for other areas of the country, she added.

About her recent visit to W. Berlin and Scandinavian countries, she said Pakistani books on culture would be put on sale there and many people were interested in knowing about Pakistan and its cultural heritage.

Many exhibits of Pakistani artists and culture will be displayed and put on sale there This will help in cultural exchanges between countries and would also promote tourism in Pakistan.

CSO: 4220/601

## ON FOOD NEEDS AND HIGHER YIELDS

Karachi DAWN in English 21 Apr 82 p 7

[Text]

IT IS estimated that Pakistan's annual food requirement will reach the 20-million-tonn mark by the year 2000. The country will be able to meet this requirement only if the food production goes up. The recent increase in agricultural production is reassuring but the rate of growth and the investment in agriculture are far from satisfactory. The contradictions in the Government's agricultural policy are not easy to explain. While agriculture is heavily subsidised, the growers are allowed high tax-free profits in the name of incentives. Thus, the bigger landholders contribute nothing out of their high incomes to the public investment in agriculture. Private investment does not claim an adequate share of these tax-free profits. Most big growers avoid the investment and the hard work needed to tackle the basic problem of low yields. Small farmers lack the necessary resources, and modern inputs remain out of their reach, interest-free loans notwithstanding. It is only a small class of commercially motivated modern farmers commanding operational units of from 50 to 100 acres which is achieving significant increases in productivity.

It is the low average productivity which still remains the

bane of Pakistani agriculture. If the country is to acquire larger exportable surpluses of cash crops and if it is to supply the increasing need for food, it must develop a major trust towards raising the average yield per unit of cultivation. This cannot be achieved if the process of rising yields is confined to the lands cultivated by the new class of kulaks. These modern farmers command only a small part of the total cultivable land. What they achieve can contribute only marginally to an increase in the average yield per unit. This will rise only when the small farmer is enabled to produce more.

The potential of increased production exists as has been demonstrated by the Government's experimental farms. The yield on these farms is three times that of what a farmer usually achieves. According to the Pakistan Agricultural Research Council, the present yield of 16 to 17 maunds per acre can be increased to 70 maunds per acre. If we are to be self-sufficient in food in the foreseeable future, the present low yields must be increased at all costs. It will call for imaginative planning to bring about an appreciable increase in the currently static average yield per acre by stimulating production on the

millions of small farms. The right way to go about it will be a blend of indigenous research, extension and comprehensive community development, with emphasis on motivation, education and cooperation. We are a long way behind others in agricultural research. Only two Ph.Ds. in agriculture are produced in the country every year whereas just one agricultural university in India turns out 150 Ph.Ds. in agriculture every year. There are plans to set up an agricultural research system for fundamental, applied and adaptive research. But they have yet to see the light of day. Not only should more people be trained in higher research in various agricultural sciences, the results of their research and experiments must also be made available to those interested or involved in agriculture and the research findings must be ensured practical application. This is easier said than done. To a large extent, extension has proved a mechanical exercise so far. The response to it has been poor because of illiteracy and lack of motivation. Extension can prove rewarding only if it is visualised as part of a total effort to transform the life of the rural community. This calls for a massive investment. But perhaps more important, it calls for a field organisation which can establish close rapport with the rural people and organise them for a cooperative effort for improvement through self-help.

CSO: 4220/602

## WORK OF RESEARCH BODIES CRITICIZED

Islamabad THE MUSLIM in English 18 Apr 82 p 4

[Text]

The Pakistan Council for Scientific and Industrial Research (PCSIR) has approved its Annual Development Plan for 1982-83. The allocation of Rs. 50 million for research in scientific and industrial fields by this premier research organisation shows that there will not be any enlargement of its vital activities next year as the budget allocation for the current year is also Rs. 50 million. This is disappointing in a country which has to allocate greater funds for scientific and industrial research so that it can produce better products cheaply and increase its export earnings.

The overall allocation for science and technology in Pakistan is very small compared to the need for the allocation of one per cent of its Gross National Product or even one per cent of its Federal Budget. The budget allocation of Rs. 3.4 million for the Ministry of Science and Technology, Rs. 69.9 for research organisations and Rs. 13.9 for science associations and other such organisations, making a total of Rs. 87.2 million in the current year is less than one fifth of one per cent of the current federal revenues. Similarly, the allocation of Rs. 81 million for promoting research from the capital budget is only a small fraction of the development outlay for the current year.

Dr. Abdus Salam, and other leading scientists have been voicing their disappointment on the small allocation for scientific research and pressing for larger funds for more extensive and intensive research. It is hoped that the next budget would provide for larger allocations so that research activities commensurate with the needs of the country could be undertaken. If that is not done, the brain drain in the area of scientists would continue, with industry starved of the benefit of valuable scientific research. Meanwhile the Government has to re-examine with the help of serious scientists how useful are the plethora of scientific organisations and associations functioning in the country using official funds. Are associations like the National Science Council of Pakistan, Pakistan Science Foundation, Appropriate Technology Organisation and National Institute of Electronics doing enough work? How many of them continue to be ceremonial organisations or institutions which exist without doing serious research? Is there much duplication of work by them or excessive concentration on elementary tasks? Is serious

research being done by these organisations or associations in the field of industry, technology, health, housing, or irrigation? Without such periodic reassessment the small funds allocated for scientific research may not be put to the best use. Even more relevant is the question: how much of the research work is really being utilised by industry and the economic sector as a whole? Judging by the results of the research work of PCSIR the volume is, indeed, very large. But industry in Pakistan is making very small use of it, and this is truly tragic. That happens as the industrialists are in a position to make large profits with their substandard products or reproduction of their old technology.

Clearly the industries are reluctant to accept innovation and change. As a result, the consumer has to pay high prices for poor products and Pakistan's exports suffer. The Pakistan Scientific and Technological Information Centre, with its budget of Rs. 1.88 million, is expected to make the benefit of the research work done by others available to the Industry. Is it doing its work well, and to what extent does it enjoy the co-operation of the industrialists? Much has to be done urgently now ranging from far more research and better utilisation of the results.

CSO: 4220/601

## SERIOUS WORK SUGGESTED IN PROMOTING SCIENCE IN URDU

Karachi DAWN in English 21 Apr 82 p 7

[Text]

IT REMAINS to be seen whether the Government's decision to rename the Central Board for the Promotion of Urdu as the Board for Promotion of Science in Urdu will yield any positive results. It is obvious that the mere reshuffling and renaming of existing bodies which profess to be working for the promotion of Urdu will not change things materially. What is needed is a change in approach and some serious work by serious-minded people. There are several public and private voluntary organisations engaged in serving the cause of the national language, but it is by no means certain if they have, individually or cumulatively, made the kind of impact that was expected. It seems to have become standard practice to set up a new agency to carry out a task which could as well have been undertaken by an existing organisation. The newly established bodies often fail to accomplish much apart from providing sinecures for retired or redundant bureaucrats. Moreover, the proliferation of such organisations only leads to the duplication of functions which can be avoided with a little careful planning. Thus, soon after the Urdu Development

Board had been established in Karachi in 1958, the Central Board for the Promotion of Urdu was set up, followed by the National Language Authority. All of these have been functioning independently of one another and there is no coordination among them.

Mercifully, a new body has not been set up to promote the cause of science in Urdu but the functions of an existing organisation are being redefined for the purpose. But even then it is quite obvious that duplication of activities is bound to follow, since a number of institutions are already working on the translation of technical terms — a function assigned to the newly reorganised Board. It will do well to concentrate on its task of removing "the existing deficiencies in Urdu, particularly in the fields of natural and social sciences as well as technologies in order that it can become the medium of instruction also at the higher levels of education". Perhaps no other "deficiency" is as pronounced as the dearth of standard textbooks in Urdu. Not that the authorities responsible for publishing textbooks are doing any better in English. But in the event of a complete change-

over to the national language, the students will be denied access to the quality publications available to them at present in English through the courtesy of foreign publishers. If the switch-over to Urdu is not to lead to an even further lowering of academic standards, attention will have to be paid to the quality of books being produced in Urdu. The Board's task will by no means be easy. It will be required not just to fill a few gaps here and a gap there but to fill the entire vacuum which exists in the field of textbooks at all levels.

Until arrangements can be made for the writing and compiling of works in Urdu, we will have to make do with the translation and adaptation of standard books in foreign languages. These could serve as models for our writers. But it should be clearly recognised, especially by the protagonists of Urdu, that a switch-over to the national language will prove rewarding only when textbooks of quality are available. A shift to the language the student can comprehend better will not bring about an improvement in the standards of education unless the students are provided with quality textbooks and reference works to study from. This would, obviously, call for concerted efforts, imagination, expertise, resources and plenty of good sense. Given the official backing it is receiving, the Board should find no difficulty in proceeding with the job of book production even before the mandatory change-over to Urdu takes place at the higher level of education.

# URDU BOARD RENAMED TO PROMOTE SCIENCE

Lahore THE PAKISTAN TIMES in English 17 Apr 82 p 10

[Text]

KARACHI, April 16: The Government has renamed the Central Board for the Promotion of Urdu as the "Board for Promotion of Science in Urdu", APP officially learnt.

The functions of the Board have been redefined as under:

- To remove the existing deficiencies in Urdu particularly in the field of natural and social sciences as well as in technologies in order that it can become the medium of instruction also at the higher levels of education.

- To prepare standard dictionaries of scientific and technical terms for use by all the individual and the institutions when translation of such books is attempted in Urdu or writing of original book is proposed to be undertaken.

- To coordinate the work of other organisations engaged in promoting scientific and technical knowledge in Urdu.

The Board will have a Director to be appointed by the Ministry of Education and also a Secretary/Administrative Officer to perform the administration duties as well as supervise the financial matters. His appointment will be made by the Governing Body.

The Minister of Education will be the Chairman of the Board, while a scholar of repute, to be appointed by the Federal Government, will be

Board. The Committee will have the composition, functions and other terms and conditions determined by the Governing Body.

The existing officers and staff working in the service of the Board, whether on regular contractual or in honorary capacity shall continue to hold their respective positions on terms and conditions of service. The Board shall continue to work according to the rules of business already framed by it.

The funds of the Board shall comprise grants-in-aid received by it from the Government together with income of the Board through sale proceeds of its publications etc. its Vice-Chairman. The members will include a representative of the Ministry of Education, University Grants Commission, National Language Authority, Chief Editor, Urdu Dictionary Board Karachi, two representatives of the professional organisations, working for the promotion of scientific knowledge in Urdu and two scholars to be appointed by the Government.

The Director of the Board will act as Member/Secretary of the Board.

The Board shall have an Executive Committee headed by the Vice-Chairman of the

## EFFORTS TO REVIVE AUTOMOTIVE INDUSTRY

Islamabad THE MUSLIM in English 20 Apr 82 p 4

[Article by Mohammad Ziauddin]

[Text]

ISLAMABAD — After an unsuccessful bid to prop up the local truck and tractor manufacturing industry in the mid-'70s, Pakistan is shifting its attention to the production of small cars in collaboration with Suzuki of Japan.

The Government approved recently a 580-million-rupee (\$60.2 million) proposal by Suzuki to produce three-cylinder, 797 CC four-stroke engines for cars, vans and pickup trucks which it hopes would be adequate to meet local market requirements.

The project has been entrusted to the state-owned Pakistan Automobile Corporation. However, PACO has decided to handle only 20-22 per cent of the in-house manufacturing component, leaving the bulk of the job to the private sector and other government entities.

Of the projected initial production of 25,000 units, 10,000 will be cars, 10,000 pickups, 2,500 vans and 2,500 four-by-four-trucks. The transport-manufacturing scheme will limit production growth to 10 per cent annually and a peak output of 55,000 units in the 10th year of the programme.

It is divided into six stages denoting the major thrusts of the programme. Under stage one, operation would consist mainly of assembly line jobs with the local content of the products, such as tyres and batteries, limited to 9.97 per cent. In the third stage, the cumulative local content of finished products would be raised to 50.17 per cent; and in the final stage, local contents would be 72.50 per cent.

Suzuki will put in 15 million rupees (\$1.6 million) as equity

capital, while PACO's initial equity of 26 million rupees (\$2.7 million) will be increased to 120 million rupees (\$12.4 million).

Besides its equity participation, Suzuki will also provide a long-term credit of 100 million rupees (\$10.4 million) to help finance the project. Another 138 million rupees (\$14.3 million) is being lined up for the project by the National Development Finance Corporation.

Until it gained its independence, Pakistan had no automotive industry to speak of. Assembly operations started furtively in 1958, but in 1972 the Government took over the assembly facilities.

The following year, the Government attempted a progressive manufacturing programme, but it flopped because of lack of demand, lack of local know-how and high production costs. In 1975, the Government decided to give greater priority to the truck and tractor production programme, but it, too, was a failure.

Officials behind the new venture with Suzuki claim that they have learned from the lessons of past failures. Studies have been made on the development of automotive industries in Japan and Western Europe in the early 1950s and in Brazil, Mexico, Spain Portugal, Yugoslavia, India and Korea in the '60s. Now authorities feel they have learned the secrets of the trade.

They have concluded that the success of the automotive industries of these countries arose from their decision to develop an entire "product mix" simultaneously. For instance, they argued that by going into simultaneous production of small vehicles which local customers wanted, the pace of development of bigger vehicles like trucks, tractors and heavy equipment

followed suit.

With this in mind, Pakistan will embark on a simultaneous production of trucks, cars, light commercial vehicles and tractors. Initial production, however, will not exceed 1,000 CC engines because of the high cost of fuel.

Pakistan had invited 18 foreign automobile manufacturers to develop the engine, but only three responded favourably. Suzuki was chosen over Renault and Citroen mainly because it offered the latest engine design.

Perfect in 1979, the Suzuki design is said to be good for at least 10 more years. On the other hand, Renault and Citroen proposed old models of cars and spare parts for local assembly.

Officials behind the project said the selling price of the Suzuki car would be around 47,620 rupees (\$4,940). This amount is still beyond the reach of the middle-class Pakistani but a market survey showed that with a reasonable reduction of taxes on the product, local demand would keep production facilities running at full capacity throughout the year.

Already, officials claim that in its sixth year of operation, the car-manufacturing sector would employ 839 people and 1,031 in its 10th year. In addition, 2,900 more people will find jobs in related fields such as spare parts outlets and the raw material supply sector.

Despite the enthusiasm of the

project supporters, many Pakistanis are worried that local demand would not sustain the industry's growth. Economists have warned that the projected annual growth rate of 10 per cent from a base production of 25,000 vehicles is uneconomical. They said that the small number of vehicles out of the assembly line would make it doubly difficult for Suzuki to keep prices down.

They added that even at 47,650 rupees (\$4,943) per vehicle, it would be difficult to dispose a small inventory of 10,000 cars. India, which has a population almost five times more than that of Pakistan, has been producing only 30,000 cars a year although it has the capacity to manufacture 50,000 units.

On the other hand, if the production target is scaled down, the spare parts industry would be squeezed out of business because of lack of demand. Fears have also been expressed that if the Government were to ban importation of cars and spare parts, or impose prohibitive duties to discourage importation, the quality of locally manufactured vehicles would deteriorate.

However, supporters of the project argue that it should be viewed in the wider context of the nation's economy. They claim that the project would create ancillary industries that will benefit the country in the long run. *Depthnews Special*

CSO: 4220/601

## ANNUAL ENGINEERING OUTPUT SATISFACTORY; FUTURE LOOKS GOOD

Karachi DAWN in English 21 Apr 82 p 5

[Text]

Over 2,000 engineering units all over Pakistan are producing roughly 1,000 million dollars worth of engineering goods every year.

According to a study of Export Promotion Bureau, the total production value of engineering goods in the country was about 600 million dollars in 1976-77 and only 140 million dollars in 1966-67.

The study which has not taken into account the giant steel mills near Karachi reveals that engineering industry involves capital investment of 1,500 million dollars and provides employment to over 250,000 workers.

Giving the range of production of the national engineering industry in both public and private sector, the study mentions electrical and non-electrical machinery, transport equipment, metal manufacture excluding cutlery, non-ferrous metal foundries etc.

The production of non-electrical machinery in the country includes engines and turbines agriculture machinery, machine tools, pumps and compressors, textile, machinery and accessories.

Diesel engines of various types are being manufactured with production capacity of more than 40,000 engines every year. Pakistan has been exporting diesel engines to Afghanistan, Saudi

Arabia, Iraq, Syria, Jordan, Dubai, South Yemen, Vietnam and South Korea.

According to the study, there are over 60 units mostly located in Punjab which are manufacturing a variety of agricultural implements.

There are 71 units including the Pakistan Machine-tool factory located near Karachi which are producing machine tools like lathes, shapers, power presses, grinders, polishers, drilling machines, milling machines and various other machines.

The study has identified 50 units which are producing all types of pumps and compressors apart from six other units which are engaged in manufacture of different types of boilers.

The study gives details of the sewing machines, road construction equipment including the heavy road-rollers, concrete mixers and printing presses. A variety of electrical machines like switchgears, motors, power generating sets, transformers, electric fans, wires and cables, telecommunication equipment, shipping equipment, various metal fabricated products and production of other items.

The picture which emerges from the study is that of a country with a strong engineering base well poised to take giant strides in the near future.

CSO: 4220/602

MAHBUBUL HAQ ON ANNUAL DEVELOPMENT TARGETS

Karachi DAWN in English 21 Apr 82 p 8

[Text] Dr Mahbubul Haq, Deputy Chairman of the Planning Commission, said in Karachi on Tuesday that the 1982-83 Annual Development Plan would be ready for submission to the National Economic Council next month.

It would aim at achieving "decisive acceleration" in certain critical fields in both agriculture and industry and also the neglected social sector, particularly in the rural areas.

Among other things, it should strengthen the base for the Sixth Five-Year Plan which would be launched next year, he said at a Press conference.

He said he already had a series of consultations in Islamabad and Lahore and would go from here to Quetta and Peshawar to complete discussions with the provincial governments.

It would be premature to list specific goals or targets at this stage, he said, adding that a broad pattern was already taking shape and the overall strategy was emerging.

Stating that agricultural sector would earn the highest priority, he listed programmes of increasing fertiliser intake and other inputs like water, seeds, small farm technology etc. besides availability of "sizeable number" of small tractors, and revival of 1.5 million acres of land with zero to five feet water level.

In the industrial sector, Dr Mahbubul Haq said, it was envisaged to complete the Pakistan Steel project within the next 18 months and to price its products realistically so that the private sector manufacturing and capital goods industry grew fast and the stage was set for the second phase of the industrialisation.

It would also provide framework for maximum acceleration to the private sector in three critical areas viz finance, infrastructure, and reduction in control and procedures.

Major acceleration in rural services would cover electricity and roads where the aim would be to ensure "quantitative jump," he said.

At present, 11,000 villages were electrified. The task was to cover 75 per cent of the remaining 34,000 villages during the Sixth Plan. It was in this context that the target for 1982-83 would be determined in consultation with the provincial governments, he said.

The present pace of farm-market road construction programme would have to be raised to three of four times.

In the social sector, programme of primary education would be increased from the present 2,000 schools a year to 20,000 in 1982-83, focus being not on buildings but on functional literacy.

Health care programmes would be improved through extended programme of polyimmunisation, oral rehydration, and trained midwife for every village.

Dr Mahbubul Haq also called on the Sind Governor, Lt-Gen S. M. Abbasi, and had detailed discussions with Sind officials.

He termed these consultations "extremely productive", and added that he was "highly impressed" by the programmes in various sectors and the innovative methods for the realisation of the goals.

He said Sind presented some "special features" like 47 per cent of the population living in urban areas; the gigantic problem of Kutchi Abadis, etc. "We are discussing the dimensions of these problems," he said, and added that the Planning Commission would "try very hard to back them up". The other major issues highlighted at the Press conference included:

- No national mineral policy yet; this would be covered in the Sixth Plan;
- The 1982-83 ADP targets would be achieved through reallocation of existing programmes and the additional resources;
- Need for broadening the tax base as well as rationalisation of tax structure;
- Tax ratio to national income 13 per cent compared to 23 per cent in comparable societies;
- Private consumption (85 per cent of GNP) highest and compares with 67 per cent elsewhere;
- Domestic savings six per cent of GNP and not enough to maintain existing capital;
- Scope wide open for economising on non-development budget;
- National planning should be through national debate and consensus;
- Public services need improvement, and for this users must contribute;
- Need for investment houses for overseas Pakistanis;
- Results of national income distribution survey to be out in a couple of months.

# GUDDU-JAMSHORO TRANSMISSION LINE WORK

Karachi DAWN in English 17 Apr 82 p 9

[Text]

LAHORE, April 16: With the completion of 578 tower foundations and erection of 205 tower structures on the Guddu-Larkana-Jamshoro Section of the 500 KV Faisalabad-Guddu-Jamshoro transmission line, about 47 per cent of the total 1,216 foundations have been concreted by April 12.

Out of these, 273 foundations, which include five pile foundations, have been concreted and 72 structures erected on the Guddu-Larkana Section, while concreting of 305 foundations and erection of 133 towers have been carried out on Larkana-Jamshoro Section.

The work on construction of 439 kilometers long Guddu-Jamshoro Section which is the last leg of 1,221 kilometers long 50 KV Faisalabad-Guddu-Jamshoro transmission line is in full swing and is scheduled to be completed by June, 1983.

Completion and energisation

of this last leg of the 500 KV transmission line project will render it possible to make full use of ultimate enormous power potential of 35.0 megawatt at Tarbela hydel power station and to reduce heavy transmission losses at lower voltage.

Its energisation will also help in overcoming power shortage and voltage problems in the southern region, particularly Karachi with the transmission of bulk of Tarbela's power to this area.

Other sections of this biggest transmission line of the country which is second biggest in Asia after Japan comprising 330 kilometers long Tarbela-Faisalabad and 519 kilometers long Faisalabad-Multan-Guddu had already been completed and are in operation.

The foreign exchange cost of this project is being met through a Kuwait fund loan of 13 million Kuwaiti dinars.

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CHEMICAL WARFARE SEEN AS PROPAGANDA ISSUE

Bangkok SIAM RAT SAPPADA WICHAN in Thai 25 Apr 82 p 16

[Article: "Poisonous Chemicals: an Undeclared War"]

[Text] The United States and the Soviet Union have been carrying on an undeclared war in several spheres and one sphere that has involved Thailand is the use of poisonous chemicals. It appears that when the government of the United States sent a group of biochemical warfare experts to do battle over this issue, the Soviet Union disseminated information that it was in fact the United States that was using chemicals.

A Pandora's Box

The task of this group of biochemical warfare experts was to travel around the world "in order to gather evidence and gain the attention of the people of the world" so that they would oppose the Soviet Union's use of chemicals in Afganistan, Kampuchea and Laos. They told the Thai mass media that they had "irrefutable evidence" that the Soviet Union had opened the "Pandora's box" of the present era through the use of chemicals.

This group of experts, composed of eight members, was led by Garry Crocker, an official from the U.S. State Department. He said that they would try to collect additional evidence by checking blood and skin tissue samples, collecting water and foliage samples and so on.

This work group travelled to the Thai-Lao, Thai-Kampuchean and Pakistan-Afghanistan border areas. Both Thailand and Pakistan willingly cooperated in this [attempt] to gather proof.

The Irrefutable Evidence

The latest report that was issued by the United States in March charged that the Soviet Union had brought in and used poisonous chemicals in Afghanistan and that it had sent chemists to Laos and Kampuchea and was providing advice on their use.

Concerning these chemicals, the United States has claimed that these chemicals include chemicals that destroy the nervous system, chemicals that spread diseases

and so on. The report, gathered from refugees, also mentioned yellow rain, which has been greatly discussed since the struggle by the U.S. secretary of state.

"The irrefutable evidence is the testimony of the victims of these chemicals," said Crocker.

There has been a report that U.S. embassy officials in Thailand began interviewing Lao refugees in 1976 but that they only revealed this matter in the middle of 1980. However, they have not succeeded in turning world opinion against the Soviet Union as much as they should have.

One important reason for this is that this so-called irrefutable evidence is not at all firm. For example, the United States does not have any photographs of the dead or of the chemicals.

Besides this, the U.S. government itself announced that in fiscal year 1983, the United States would spend \$705 million to produce and develop biochemical weapons.

In the absence of such evidence, the U.S. experts have said that it is difficult to get the bodies of the victims out of Laos. This has led to a dispute. That is, if this is the case, why haven't they tried to do the same thing in the case of Kampuchea, where there is fighting near the Thai border and where they can obtain evidence or bodies.

In response to this, the experts have stated that little is known about some of these chemicals, it is difficult to learn about them and it is difficult to collect [samples] for analysis.

The confirmation of the experts that is said to be irrefutable evidence is still the testimony of the refugees.

#### The Poison Users

The Soviet Union claims that besides stirring up trouble by saying that the Soviet Union is using poisonous chemicals, it is the United States that is using chemicals.

In the 15 April 1982, Vol 34, issued of SOVIET NEWS, the article entitled "The Poison Users," which was written by M. Rostachook, a reporter for ISVESTIA, charged that the teachers and students at a girls' school in Kabul were victims of poisonous substances that the Afganistan rebels had obtained from the United States and used in their fight against the government forces.

"They admit that they received training at a camp in Pakistan concerning the use of chemical weapons that were made in the United States," stated Rostachook. "The real facts show that the Afganistan rebels have chemical weapons from the United States in their possession."

In SOVIET NEWS, Vol 33, Alexander Ikanatoff mentioned the fact that American Vietnam war veterans, some only 33 years old, had come down with red spots all over their bodies and they walked with a limp because of having come in contact with Agent Orange when loading it onto the helicopters to spray the jungles in Vietnam.

In this issue, it was claimed that many American soldiers died from liver cancer after having come in contact with Agent Orange, a defoliant.

In news reports, the names of several companies that produced Agent Orange have been mentioned, including the Dow Chemical and Hercil companies.

To Thailand

The propaganda war between the United States and the soviet Union will probably continue for a long time, particularly in the situation in which neither side has clear proof. The important problem that has arisen now is that on Songkran Day, Hanoi Radio, citing an official Phnom Penh newspaper report, reported that the United States had given chemical weapons to Thailand and Pakistan.

Concerning this charge against Thailand, in the end this will be linked to the charge that those opposing the Phnom Penh government are using poisonous substances and that they were trained in Thailand, the same charges that have been made against Pakistan.

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CSO: 4207/92

CONDITIONS SURROUNDING 4TH CPT PARTY CONGRESS ANALYZED

Bangkok SIAM MAI in Thai 24 Apr 82 pp 12-18

[Article: "The 4th Congress of the Communist Party of Thailand, the Red Flag Changes Direction"]

[Text] The fourth nation-wide congress of the Communist Party of Thailand is of greater significance to the CPT than any of the past internal or external struggles. Many sides believe that the atmosphere of this congress will be marked by an intense and ferocious ideological struggle.

They will encounter the problem of internal conflicts, conflicts that have existed for more than 20 years since the Third Party Congress that was held in 1961. There are conflicts concerning theory and directions and over disputes concerning the international problems that have shaken the world communist movement.

As for outside the CPT, this Fourth Party Congress will have great effects and even the Thai government will have to attach great significance to this.

A document prepared by the chief of staff of the Second Army Area that analyzed the recent movements of the communists states that the "state must use every way possible to prevent the CPT from holding its Fourth Party Congress."

However, amidst the efforts to start a war to harass and put great pressure on the CPT throughout the country, including the operations in the south, the north and the northeast at the beginning of 1982, reports have leaked out that the CPT has been able to free itself from the clutches of the government and hold its Fourth Party Congress. Some reports have stated that there is a new leader of the CPT while other reports have stated that this congress has hastened the split within the CPT. None of the reports are really clear.

The Events Leading Up to the Fourth Party Congress

1. A Second Army Area document analyzed the movements [leading up to] the Fourth Party Congress. The important contents are:

"Another thing that cannot be overlooked is the jealous guarding of power within the party. This congress is being held not only to solve the problems concerning theory, strategy and tactics but also the leadership problems of the party. This refers to the election of a new central committee and new committees at the various echelons. Those who presently hold various echelon positions and have party administrative roles may lose their power and positions in the clean up to solve the problems and rectify the mistakes in the party. For this reason, the present leadership center must try to have the congress postponed."

But at the same time, the same document said that "in the CPT's present survival conditions, it is believed that the CPT will try to exert pressure in every way possible to hold the Fourth Party Congress in order to clear up the many problems in the party."

"If the congress is held in the near future, the most ferocious internal struggle in the history of the CPT will take place between the progressive thinkers and the conservatives in the party. Only by holding the Fourth Party Congress will the CPT be able to solve the internal problems and free itself from the conservatism that has dominated the party and solve the basic problems concerning revolutionary theory."

2. Actually, looking at the past activities and movements of the CPT, it can be seen that it is the objective conditions that have made it necessary to hold the Fourth Party Congress, such conditions including the crisis in the international communist movement, the leadership crisis within the party, the conflict between the party and the intellectuals and the government's attitude and policy toward the CPT.

But actually, looking more deeply, it can be seen that the main thing that has really exerted pressure on them to hold the Fourth Party Congress is the conflict within the party, a conflict that has existed for more than 10 years now since the Third Party Congress. The Thai communist movement has experienced many important conflicts in the party during this period. This can be seen from the following cases:

2.1. There was the movement by the upper northeast zone, which was the spearhead in proposing that the party change its combat strategy to two united fronts and three strategic zones. It is believed that this idea was first proposed in the period 1974-1975.

The communists in the upper northeast zone are the people that have carried on a widespread movement within the party since most of the people in this zone have taken part in movements in other regions. General acknowledgement of the problems is thus a special characteristic of this zone.

Besides this, in 1980, government officials who carried on operations in accord with the "chai chana" operation in Dong Luang Subdistrict, Nakhon Phanom Province, were able to seize documents concerning the proposal to have three strategic zones and they stated that:

"From existing intelligence sources, it appears that these documents were produced by the leadership center of the upper northeastern zone, which has set up its base in Phu Phan. Many news sources, who are students, have given similar reports saying that the person who has played an important role in exerting pressure to put this strategy into effect is Mr Lieng Phiromnam, the number three person in the upper northeastern committee after Mr Prachuap Ruongrat and Mr Chawalit Thapkhwa. This is because Mr Lieng is the most progressive thinker in the committee. Actually, this idea did not originate from the desires of any one person. Rather, it originated from pressures outside and within the CPT."

Thus, the upper northeastern zone's movement to revise the strategy and tactics is part of the internal conflict that has been going on for more than 10 years.

## 2.2. The conflict in the zone where three provinces (Phetchabun, Loei and Phitsanulok) converge:

The document "Party History" that was seized during an attack on a TPLAF camp in the south mentioned the conflict between the party's leadership center and the tri-provincial secure base zone. It stated that the conflict that had arisen between the leadership center and this zone is a very important conflict.

The tri-provincial border zone, which was made into a secure base, caused trouble for the party's leadership center in 1968. This group was criticized for being highly individualistic and not subordinating itself to the center. This happened because the tri-provincial secure zone implemented a policy containing many independent aspects. It did not subordinate itself directly to the leadership center and acted freely under the name "The Tri-Provincial Zone."

Besides this, this zone was able to increase its importance by very strong military means, and it withstood the important suppression operations of government officials. Its fame spread widely. Concerning the fact that the tri-provincial zone carried on an independent policy during that period, even though this greatly jolted the party's leadership center, the conflict did not become so severe that there was a break. After more than a year of trying to resolve the conflict, some of the problems were finally resolved.

But this does not mean that the root of the problem was completely eliminated. This conflict between the tri-provincial zone and the leadership center reflected the conflicts within the communist party that had been piling up continually.

## 2.3. The ideological conflicts in the cities:

In the period prior to 1976, some of the things that were done made it clear that ideological conflicts had arisen among those in the cities who supported the communist ideology. Such conflicts appeared concerning both theory and practice. There were conflicts between the communists operating in the cities and also between those operating in the cities and those operating in the

jungle-mountain zones. These conflicts led to several responses on the theoretical front and various things showing a lack of unity appeared.

These examples show that the Fourth Party Congress of the CPT is being held mainly because of the fact that more and more internal problems have arisen. The objective conditions that have arisen during the past 4-5 years have only served to arouse people to hasten preparations for the congress.

#### The Movements In the Fourth Party Congress

3. The document [prepared] by the Second Army Area states that "it can be said that within the CPT there has continually existed two conflicting forms, that is, the conservative form and the progressive form. But for various reasons, the conservative ideology has clearly played the dominate ideological role in the party ever since the Third Party Congress, which was held 20 years ago in 1961. No congress was held during this period. The problems in the CPT have piled up to the point where they will be difficult to solve since they have piled up throughout the system."

Besides this, when the document of the Second Army Area was cited above, it was mentioned that "this struggle between the progressives and the conservatives in the party will be the most ferocious struggle in the party's history."

4. There will certainly be a clash during the Fourth Party Congress between the conservative and the progressive groups in the party. But one interesting thing that may conflict with the analysis by the Second Army Area is that the Second Army Area feels that this congress "will probably not be able to resolve the conflicts at the basic level. The past method used to solve the problems was to slight and put aside the various problems. Thus, the problems will continue to pile up."

But in fact, if we look at what has happened in the party, we can see that, during the past 20 years since the Third Party Congress, the progressive group in the CPT has not been a small group and it has not been totally dominated by the conservative group.

Many things that have happened show rather clearly that the progressive group in the CPT has continually expanded during this period. It has begun to show that it has real power and that it too is an important power that can exert pressure to change the basic problems.

Besides this, the basic conflicts that have arisen did not arise just during the Fourth Party Congress or in the period immediately preceding the congress. In reality, these conflicts have been developing continually. They have affected high-ranking CPT leaders throughout the party and have even resulted in some changes being made prior to the Fourth Party Congress. Thus, the CPT has a great opportunity to solve the basic problems during this congress. This can be seen from the following examples:

4.1. Concerning the movement of the upper northeastern zone [to solve] the basic problems concerning military management, a movement that began in 1974-1975, it was proposed in 1978 that the secure bases be done away with. The reason given was that establishing secure bases that were not genuine would create problems rather than bring good results for the various zones during the period 1978-1980 when the government carried on strong suppression operations and destroyed several of the CPT's secure bases, including Phu Phan. This resulted in the movement to solve these problems becoming even more important.

Concerning the revision of some elements of the strategy, the document of the Second Army Area stated that the "change to the three-zones strategy will go into effect when it is approved by resolution at the party congress, or it must at least be approved by the highest leadership center before being put into use. But at present, there is no evidence that this has happened yet.

"However, it is worth noting that in some areas in the upper northeastern zone, such as [in the zone] of the Khon Kaen provincial committee (Zone 666), this strategy has already been put into effect."

Concerning solving the basic problems, based on the real situation throughout the party, it should be noted that there should be several developments in the movement to propose solving the basic problems at this congress.

4.2. The movement in the southern zone reflects activities that show how the problems are being solved in the CPT. That is, the CPT in the south has continually carried on a policy of "self-reliance." The situation in the area has made it necessary for the various movements of the CPT in this zone to have special characteristics that are in accord with the movement to solve the basic problems throughout the party.

The southern CPT has a prominent feature militarily. It has a broad military movement and automatically uses the three zones strategy in fighting the government officials. Besides this, since 1976, large numbers of intellectuals who fled into the jungle have gone to this zone. This has led to the first ideological conflict between the intellectuals and the CPT and exerted great pressure to have a movement to improve things and make changes in this zone.

4.3. The conflicts in the united front (A 30) are important conflicts and it is likely that these have exerted pressure on this congress to change and improve several elements in the basic policy [that was implemented] in 1977.

Besides the fact that these conflicts have exerted pressure on the high-ranking party leaders who have relations with this united front to consider making changes and improving various aspects of the policy, the important intellectuals in the united front who are cooperating with the CPT are an element that will exert pressure for a major change. Examples are the ideological movements of Thirayut Bunmi, who once proposed that the united front banner be raised high.

4.4. The activities of the various communist united front movements in the cities during the past 4-5 years are one thing that show that efforts are being made because of the pressure to solve the problems in a comprehensive manner. The new thinking toward the communist movement seems to have generated much response.

These examples are data that show that the Fourth Party Congress will almost surely make major changes in the basic policy and change some of the details. It can be observed that the past conflicts in the CPT show the problems that have begun to pile up and lead to a movement and they show the saturation point in solving the problems.

The problems in the CPT are real. The effects of these problems have been felt throughout the party or throughout the country. High-ranking party leaders have been hit with countless problems. Besides this, there have been important movements by CPT leaders that show an attitude of accepting the rules of the changes in the party.

Some people have said that the fact that the progressive group in the party is exerting pressure to have the Fourth Party Congress make changes may result in the "party splitting into two factions." But actually, looking at the essence of the problems, it can be seen that both the progressive and the conservative groups in the party agree on the same strategy. Thus, the expectation that this will cause a split is probably far from the truth.

#### Changes At the Fourth Party Congress

5. It is believed that several important changes in the CPT will emerge from this congress. For example:

5.1. The united front strategy will be changed. Previously, several actions showed that there have been appeals for the CPT to change the united front strategy. There have been calls to raise the united front banner or attach greater importance to the role of the cities, in accord with the three zones strategy, so that [this zone] is equal in importance to the jungle and plains [zones].

It is believed that this willingness to make changes concerning the united front stems from the CPT's efforts to coordinate things and cooperate with the united front on a basis of equality rather than setting up a bogus united front or forcing the united front to be subordinate to the CPT as was done in the past.

5.2. Concerning changes in personnel in the party, it is worth noting that, during the past 2 years, in the lower echelons of the CPT -- that is, from the provincial committee echelon on down -- important echelons for the various zones throughout the party, many changes in personnel have been made in every zone. The younger people, or progressives, in the party have become very influential from the provincial committee level on down.

This shows that these forces probably form a strong pressure group. Besides causing some policy changes in the CPT, they can also join together to have some of the high-ranking people in the party removed. Along with the policy changes made at the Fourth Party Congress, more and more leaders who have new ideas will probably be able to create a role [for themselves] and step into high-level positions in the CPT.

The important people who are expected to continue playing a role include Thong Chaemsiri, Udom Sisuwan, Nit Phongdapphet, Sak Suphakasaem, Vibun Chenchaiwat, Uthai Thiembunloet, Prasit Taphienthong, Kanok Bunyodom, Phrom Thongphithak, Prasit Thienkhiri, Bai Sukchai, Suraphan Sutrong, Lieng Phiromnam and Weng Tochirakan.

These are the people who have acted as the representatives of the progressives in the party or who have agreed with the movements of the progressives.

5.3. Concerning the military problem, it is expected that this is one thing concerning which policy changes will be made at this congress. That is, there were previously many movements to change the thinking about solving the military problem, especially concerning establishing secure bases.

In one period, the CPT rushed to establish secure bases and to expand these bases. But later on, these bases became a liability during the combat operations of the CPT. Government officials were able to make use of the CPT having weak bases to break through and attack the CPT in several zones and this weakened the CPT quickly. Based on the combat reports that have been gathered and the military tactics used in the past period, it is believed that the CPT is trying to make changes by greatly reducing the number of secure bases.

Besides the problems concerning a lack of war materials, the active movements of the military forces in this period are of great importance to the CPT as it adjusts the fighting in accord with the military plans of the government, which is relying on putting constant pressure on the secure bases of the CPT in the jungle-mountain zone.

It is believed that the CPT will review the special characteristics of guerrilla warfare in accord with the principle of "disseminating the forces and bringing together the force centers," a cornerstone in resolving the military problem. Once again, violent combat operations against government officials will decline. Instead, there will be scattered attacks and the large force centers will be brought together in order to make major attacks now and then.

5.4. Concerning the international problems, Second Army Area documents state that the "conflict between China and Vietnam put the CPT in a very uncertain position and later led to a break with Vietnam and Laos." And, "China has forced the CPT to clearly choose sides. It can no longer 'straddle both sides of the fence' on policy. And it is certain that the CPT has chosen to follow China."

Actually, looking at the CPT's situation with regard to China, it can be seen that the CPT probably is "hesitant" about China's attitude, concerning both the dispute with Vietnam and China's policy of cooperating with the United States and strengthening relations with the Thai government in the hope of opposing the Soviet Union in this region.

Because of the fact that China is probably exerting much pressure on the CPT through both its aid and the close relationship that was forged between the Thai and Chinese parties in the beginning, it is believed that, concerning these international problems, the CPT will certainly try to exert pressure to keep the international problems from becoming basic problems in the conflict.

But concerning various activities, it is believed that the universal view of the CPT is one of gaining continually greater freedom. This has been observable since 1976-1977. A CPT document sent to those operating in the various regions asked them to study the international problems carefully. In 1979, a mimeographed document from the Voice of the People of Thailand News Agency stated that the lessons from the Nicaraguan revolution were worth studying and that the methods used had been able to hit the targets in the Nicaraguan revolution.

In 1981, a mimeographed document signed by the party spokesmen of the CPT stated that the struggle of the Polish mass organization against the communist party was strict in combining centers. And a report from an internal news source later stated that the CPT's Voice of the People of Thailand radio station was not moved out of China because of any pressure from China. This was done voluntarily by the CPT to show its dissatisfaction with China's foreign policy of strengthening relations with the United States and the Thai government.

Based on the data and this analysis, it is believed that the Fourth Party Congress of the CPT has already been held. And it is believed that there will be major changes and improvements within the CPT.

An important problem that must be understood is that the government will have to bear a great burden resulting from this. This can be seen from the sense of urgency of officials in the Second Army Area who have stated that "during this period, the state must do everything possible to keep the CPT from coordinating things with the united front. The state must do everything possible to prevent the CPT from holding its Fourth Party Congress. These are preventive measures."

But while this cannot be prevented now and changes have now been made within the CPT, the proposal submitted to the Prem government by the Second Army Area is still an interesting summary and there is great agreement when it says:

"The only way to solve the present problems in Thai society is to carry out a democratic revolution. Basically, the opportunity to carry out a democratic revolution in this limited period lies mainly with the government of General Prem and next with the CPT. The side that proposes and implements a democratic revolution first will be the side that receives the support of the majority of the people. This is the problem that the present government must review." 11943 CSO:4207/90

PROTEST LEADER DISCUSSES STUDENT MOVEMENT

Bangkok SIAM RAT SAPPADA WICHAN in Thai 11 Apr 82 pp 46, 47

[Interview with Saowani Limmanon at the Cite Universitaire Foreign Students' Dormitory, University of France, Paris; date not specified]

[Text] [Question] There has not been any news about you for a long time.

[Answer] I left in 1965 [sic] to go study.

[Question] There are still many matters that have not been cleared up about the events of 14 October, aren't there?

[Answer] Yes. There are still many things. I am still unclear about many things.

[Question] What about the split between Thirayut Bunmi and Seksan Prasoetkun?

[Answer] At that time, I was working with Seksan all the time. When word leaked out from Khao Din, I heard only fragments. Those working there had to tell me what had happened.

[Question] How did you feel?

[Answer] Sorry. Very sorry. We had worked hard together for days.

[Question] After that happened, wasn't there an attempt to patch things up?

[Answer] I heard that they met and patched things up.

[Question] Really, how could this have happened?

[Answer] I don't know. I really don't.

[Question] How could you not know? You were one of a small number of leaders at that time.

[Answer] Frankly, at that time I was just a good follower. Not extremely good but good. When a policy was made, I tried to act accordingly as well as I could.

[Question] During conferences, you didn't know what plans were being made? For example, didn't you know how the movement was to be carried on? What the demands were? Where things were headed?

[Answer] As for the formation of the movement, I had no knowledge about this. I carried out my duties on the rostrum. As for the demands, they told us what the policy was.

At that time, we knew that we wanted to get the 13 people out. Then, we demanded a constitution within 6 months. After that, we weren't sure what we wanted.

I used to hear that this and that person and this and that group had formed the movement. I believed what I heard.

[Question] Why were you so willing to believe what you heard?

[Answer] Those who talked about this or who said that it was Seksan who had formed the movement were all smart people. They were really intelligent. How could I doubt them?

[Question] What about the charges that the movement was being used by the communist party?

[Answer] I do not know about this. I cannot say anything because I don't know anything about this. I was always on the rostrum. My only duty was to give speeches.

[Question] Didn't you think about things while you were on stage?

[Answer] No. Never. I was really a follower. Once, Toi (Thirayut Bunmi) even told me to "think for yourself sometimes."

[Question] When?

[Answer] When we were in the People for Democracy group.

[Question] The birth of the People for Democracy and the fact that you joined the People for Democracy shows that the student leaders had split into at least two groups and that they were confronting each other. You sided with Thirayut, didn't you?

[Answer] I worked with both of them. I worked with Seksan and with Toi. There were no problems because I was a good follower.

[Question] After licking your wounds for so many years, can you now say why the student movement fell apart?

[Answer] Yes. One reason is that the other side was always able to recover in a short period of time. We forgot about this. Another thing is that....

Actually, we made mistakes too. What should I say.....

I made mistakes too. I blamed others a lot. But when it came to me, they called me a hero. I made mistakes too. I admit this. But really, there were large numbers of young heroes who worked much harder than I did and they never became well known. These were the real heroes. An example is when we went to spread democracy in the rural areas. We had blamed others, saying that they did this and that. But when we went out, we behaved even worse than those we had blamed.

Another mistake that we made was thinking that all government officials were bad. This was not true. We made the mistake of not bringing in the good officials and forming a united front. We were really wrong.

[Question] And you encountered things you could not control, didn't you?

[Answer] It is the same throughout the world. Give me one example where this is not true.

[Question] And what about the call to have these three people [Thanom, Praphat and Narong] leave?

[Answer] At that time, we did not think that we would achieve that much. But there were people who felt that since we had gone this far, we should grab everything possible. They thought like this.

Some felt that if these three were gotten rid of, others even worse would take their place.

[Question] You never thought about Professor Sanya?

[Answer] No. Never.

[Question] And what about the 6 October affair?

[Answer] I was not there. But frankly, if I had been there, I probably would have died.

[Question] You didn't think of fleeing into the jungle or doing something similar?

[Answer] Oh! Where could I have gone? Running away would not have been right. I probably would have died there.

[Question] The last time you visited home was when Thirayut left the jungle and made preparations to travel to the Hague.

[Answer] We met. We just asked about each other's ups and downs like friends who have not met for a long time.

[Question] What are your views on the CPT?

[Answer] I saw and experienced much more than when I was in the city. This was when I was with the People for Democracy group. It is difficult to say....

They constantly said that this was a people's political party and that we were the people. We were each doing things in our own way. They gained from everything that we did. We were deeply hurt by the lies of the government side. But the party that claimed that it was a party of the people lied to the people too. The people were deceived by both sides. And so whom could we turn to to rely on?

Please be sincere (cries).

They gained a lot from us. Couldn't we ask for a little honesty?

If they had been honest with us, they could have gained much more. We were certainly very young. We may have been somewhat impatient. But we could have waited if they had shown a little sincerity. We could have waited 10 or 20 years.

This matter is like a house that has been infested by weevils and termites. What I am trying to say is that the weevils ate the termites and the house. The owner of the house was unwilling to admit that his house had been infested by termites and weevils. What can we do?

They should have admitted what the situation was really like. This would have helped correct the situation.

But things have been allowed to rot. The people have been hurt by both sides. Who can they turn to to rely on?

[Question] It seems that you are hurt by the fact that your friends have returned to the city. What is your opinion about the Thirayut and Seksan cases?

[Answer] As for Seksan, I know about the matter.

We realized that the jungle did not have an answer for Seksan or Toi (Thirayut). What surprised me....

Seksan always looks at things clearly, squarely and resolutely. Thus, the jungle did not have any answers for Seksan.

As for Toi, he liked to compromise, think and make plans. Toi could have gotten along all right there.

[Question] And what is your opinion about the present government?

[Answer] It should know how to keep quiet and get to work. I will not say any more.

[Question] There are many organizations in France, even an international communist party.

[Answer] Yes, there are.

[Question] Many of the young people from all over the world who have come to study here have become members of this party. They take part in various activities and seminars and play many other roles. In the end, after they return home, many of them will become important people and there will be closer international cooperation because of the closeness that developed among them when they were students here.

[Answer] I have not become involved with this party. But I have met many foreign students. We understand each other very well. Someday, we may have a chance to cooperate with each other at the level you mentioned. But to bring this about, I do not think it is necessary to join this international communist party.

[Question] Have you met Pridi? What is your opinion about him?

[Answer] I frequently go pay my respects to him. He is a person who is worthy of great respect. He is a revered person. I frequently go to learn from him.

[Question] When do you plan to return home?

[Answer] At the end of this year.

[Question] You won't continue your studies? What will you do after you return home?

[Answer] Oh! I feel embarrassed about being this old and still not having a job to support myself.

When I return, I will probably get a job as a teacher. I have seen much. I feel that the children in our country should be receiving more than they are from the instruction that is being provided at present.

[Question] You want to be like the teacher Miss Prathip.

[Answer] No. I probably cannot do that. But something similar to that.

[Question] Do you ever dream of someday having a chance to work together with your friends as in the old days?

[Answer] Frankly, yes. I have dreamed about that.

But when I come to my senses, I know that that day will never come. The future belongs to the next generation. Our day has passed.

[Question] Wasn't it because of such thinking that the events of 6 October occurred since the younger generation was not ready?

[Answer] You shouldn't say that. The younger generation has many better qualities than our generation.

[Question] Does that mean that you are ready to sit by and allow something similar to occur?

[Answer] No. I said that my generation's day has passed. The future belongs to the next generation.

What we can do is to serve as advisors.

[Question] If you have a chance to work with your friends as in the past....

[Answer] I would not be a follower again. I want to say that since I have had several years to stand on the outside and look back on things, I have seen many things. I have begun to think for myself. I am not ready to become a follower again.

[Question] Does that mean that everyone is older now or that there has been a split?

[Answer] Everyone is older. There has not been any split. It is quiet here and I have had a chance to think and read. It is clear that we were all working in an unorganized way.

The politicians were deeply involved with those with economic power. Those with economic power were involved in social matters. Politics is rotten when this is the case. Even the labor organizations thought that they were always right but they made mistakes too. There are many reasons for this. But since they have gotten involved in everything and in all the organizations, it is as if there is only one organization.

We must do things in accord with our abilities. We cannot sit by idly. But someday, if it is necessary for us to cooperate again, we will certainly do so.

[Question] When will you get married?

[Answer] (Laughs) Have you ever seen the play "A Streetcar Named Desire?" The last streetcar has already passed me by.

[Question] Would you like to add anything?

[Answer] I would just like to repeat one thing. It must be admitted that if weevils infest the house, they will cause a lot of damage. I ask that people be honest with us.

Otherwise, the people will be in the middle and suffer from both sides. How can the people survive?

[Question] What about the 200th-year Rattanakosin celebrations?

[Answer] You haven't read what Pridi Phanomyong wrote?

11943

CSO: 4207/92

LABOR DEPARTMENT OFFICIAL INTERVIEWED ON EMPLOYMENT

Bangkok SIAM RAT SAPPADA WICHAN in Thai 25 Apr 82 pp 46, 47

[Interview with Charoen Siriphan, age 58, the Deputy Director-General of the Labor Department; date and place not specified]

[Text] [Question] Concerning the problem of Thai laborers abroad, to date, what action has the Labor Department taken?

[Answer] We have divided the work by division. Foreign activities are under the control of the director-general. On other fronts, we are trying to carry on public relations activities and keep workers from being deceived. To protect people, we must educate the people, which is a way to solve the problem at its source. Most of the workers from the rural areas are poor people who have come to look for work. Increasing the penalties and guarantees are end solutions. We must keep them from being deceived.

As for public relations activities, we must carry on activities very actively in the various communities where rural people have come to look for work and in the rural villages. We must inform the laborers in all the provinces. We will inform people at the provincial government-unit conferences and at the Kamnan and village headmen meetings. Each month, we will take part and provide information like this. Concerning such matters, sometimes the kamnans and village headmen conspire to gain benefits.

Increasing the penalties is just one of many ways to solve the problem. We must educate the workers more. The problem of deception must be solved at the source. The people have very little education and public relations activities have not been carried on among them. People are certainly being cheated. Increasing the penalties is just one way to threaten those who are considering cheating [people].

[Question] Concerning the problem of employment agencies deceiving workers, what can be done to solve this problem?

[Answer] If a job procurement law can be enacted quickly, this will help a lot. Because concerning the penalties according to the new law, if [a company]

accepts an application without reason, it can be penalized immediately. Even announcing in the press that applications are being accepted is a violation unless permission has been granted. But under the present law, applications must be made before a violation is committed.

The law that is presently in use is an old law that was enacted long ago. It provides protection concerning labor procurement within the country. We must revise it so that it can be used for both domestic and foreign cases. To solve this problem, this [new] law must be enacted as quickly as possible. And public relations activities must be carried on simultaneously so that the people are aware of the tricks used to deceive people. At the same time, we must also educate them.

[Question] Other places seem to be very interested in this. What can be done to get the government interested in this problem so that [efforts] to solve it at the policy level achieve results?

[Answer] There should not be any problem if the government gives its full support. If things are done at the national level, solving this problem should be done at a higher level than the department level.

Concerning such a matter, if the high-ranking people discuss things together, labor protection will improve and people will be more considerate of each other. Giving attention to the problem of sending laborers abroad to generate profits will give the laborers a greater feeling of security.

[Question] What are the worrisome things concerning Thai laborers abroad?

[Answer] This is a problem that I think about every day. There are more than 100,000 [Thai] laborers working abroad. There are few problems at present, but when the various projects are completed, where will they go? Because, at present, there is a great labor problem in our country. I am very concerned about this.

Thailand presently ranks third in the number of workers working abroad, equalling the Philippines. The countries with the largest number of workers working abroad are, in order, Egypt, Pakistan, Thailand, the Philippines, Korea and Japan, which has only executive-level personnel working abroad. Besides this, there are some from Indonesia and Bahrain. At present, the People's Republic of China is entering the labor market in the Middle East, but it is at a disadvantage concerning political ideology.

Our workers have an advantage in that they are known to be skilled and they have few problems because they cannot speak the language. They can get along because they are accommodating. Actually, if people argue with them, they do not understand. We may be at a disadvantage concerning work hours and wages.

[Question] Concerning the domestic labor problem, unemployment will increase greatly this year. What will be done?

[Answer] We must persuade more people to invest here, especially in the countryside, in order to keep laborers from migrating. This can be done using revolving capital so that the rural people have a better economic income after the agricultural season.

Unemployment is divided into three types: real unemployment, that is, those who have had jobs but have been laid off or fired; those working at jobs beneath their capabilities; and seasonal unemployment. Unemployment figures from the National Statistical Office show that 1.2 million are unemployed each year. In fact, this figure is not correct. I myself noted that 20,000 were laid off last year. Where did they go? Some returned to the countryside and to the ranks of the seasonally unemployed. This has made them ever poorer, and normally they are already quite poor. When they come, they are not used much; they are just surplus labor.

As for revolving capital, I think that if real results are to be achieved, a survey must be conducted first to determine which provinces are really poor. Then, just these provinces can be given help instead of giving help to all the provinces. In provinces where the economy is good, I do not think that revolving capital is necessary. I think that if the revolving capital is used in places that have actually been found to be poor, the labor migration problem can be solved.

[Question] When will a Labor Bureau be established? What stage is this in? And after it has been established, how will things be better?

[Answer] At present this matter is [under consideration] by the advisory office of the prime minister. The real problem is not whether it will be possible to solve the problems once the bureau is established. Rather, the problem is whether the Labor Department can make a manpower development plan and how much freedom it will have in implementing the policies. At present, there are no clear policies concerning the labor problems. Things depend on the policies, what the government wants.

[Question] There are several sectors that are responsible for labor affairs. How much coordination is there between them?

[Answer] It would be good if the sectors joined together to formulate a manpower development policy. Or if this is done separately, policy directions must be stipulated clearly. Each group must be not be allowed to go its own way. We must have definite figures, regardless of whether they concern the [number of] births, [the number of] students graduating or what types of jobs are available.

If the work is done separately, the same system must be used so that the data can be used. I am an administrator. The data are unclear and cannot be used.

For example, according to labor laws, children below age 12 are resolutely prohibited from working. But the Statistical Office conducted a survey beginning with laborers laborers age 11. And the population figures compiled by the Department of Local Administration are not definite. There must be close cooperation, regardless of whether this concerns providing vocational education guidance or knowing the population birth and death rates. Otherwise, it will be impossible to do things correctly.

Things must start from the government's policies. We must first know what policies the government will implement. After policies have been made, project plans can be made and which sectors must do what can be stipulated.

The problem of manpower use is very important. Care must be taken. Concerning even investments in machinery, this must take the form of employing more human laborers.

[Question] On Labor Day this year, as a person who is responsible for labor affairs, what do you intend to do that will benefit the workers?

[Answer] We will just make things convenient and provide them a place. You should have asked what the laborers will do to benefit the people. They are meeting on the eight floor. Go and ask them (laughs).

[Question] What can be done to stop the migration of laborers?

[Answer] The government already has a policy concerning this. Revolving capital has already been allotted for this. There will be jobs for people during the dry season so that they will have continuous work. Promoting private investment is a government policy too.

[Question] As far as the work you have done in this sector, are there any laws that are unfair to the workers? What will be done?

[Answer] We have a new work committee that was formed only recently. It is composed of [representatives] from all sides, that is, the employers, the employees and the government. Its task is to improve things so that things are more just. The labor laws must be revised in accord with the changing social situation.

[Question] Concerning social security, several sectors are involved in this. Actually, which sector should have responsibility for this?

[Answer] Social security is an economic matter. Whoever works in an economic field concerned with security should be involved in this. The problem is that the policies are not clear.

Providing jobs is the duty of the government. The task of providing jobs is not a support task. It is a duty that the Labor Department must fulfill. It must provide social security and promote security among the workers in order to improve their situation.

[Question] We have a social security law. Why hasn't it been used? What can those who have suffered losses do?

[Answer] This old matter is universal. At present, things are being improved. Actually, social security helps only those who have jobs; it does not help just the poor.

[Question] When there are labor problems, why does the matter get passed on to the prime minister? Cannot the problems be solved at a lower level?

[Answer] This is a matter of what [people] have become accustomed to. I have tried to put a stop to this and have things done step by step. It is because of the same old political atmosphere that people try to do this. Actually, some of the matters are really hidden political matters. Politics is involved in everything. We are trying to promote a tripartite system.

As for problems being passed on to the prime minister, this is the old political atmosphere that these people are used to. This is being supported by outsiders.

[Question] Last year, there was a great problem of [factories] being closed and people being laid off in the industrial sector and this is continuing this year. How will this problem be solved?

[Answer] Such problems depend on the market. The goods that have been produced cannot be sold. If they do not lay off workers, they will be in trouble. They have to pay interest every day.

If people come to us, we try to find jobs for them. Even if they have to accept lower wages, they have to accept the jobs in order to have an income. Concerning this, we must solve this problem quickly. At present, we are trying to find positions for these people.

[Question] There have been reports that the cabinet is not doing much. As someone who is involved in things, what is your feeling?

[Answer] They are working very hard and are trying to solve the problems in every way possible. Who could sit back idly when the country's economy is in such poor condition? Take General Sitthi (Chirarot), for example. I admire him. He is struggling resolutely. Matters will improve in the country.

Take those who cheat and deceive others, for example. They must be punished severely right away. At present, it is nature that punishes them. For example, companies cheat the workers and some of these people have to sell their houses and buffaloes to pay the brokers. When they are cheated like this, they have to kill before they themselves are killed. This occurs frequently. Those who are considering cheating others should think hard about this.

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UNEMPLOYMENT PICTURE, ECONOMIC SYSTEM PREFERENCES NOTED

Bangkok PATINYA in Thai 19 Apr 82 pp 26-28

[Article: "The 1982 Unemployment Crisis: Problems and Solutions"]

[Text] Concerning unemployment in 1982, looking at things based on rough figures, it can be seen that 700,000 laborers are out of work or openly unemployed. This figure does not include those who are underemployed and those who are seasonally unemployed. Also, unemployment among laborers will increase even more during the next 2-3 months when students at various levels graduate from the schools, colleges and universities and enter the labor market. Whether the unemployment problem in 1982 will develop into a crisis is something that people are very interested in. This is also motivating the people concerned and people in general to become informed about the present situation so they can see what the causes are, whether the unemployment problem will be more severe than in past years and what measures will be implemented to solve the problems.

For this reason, the committee for Seminars and Publicity, the Faculty of Economics and the Human Resources Institute, Thammasat University, sponsored a seminar and discussion on the topic "The 1982 Unemployment Problem: Problems and Solutions." Attending this seminar and discussion were such qualified people as Associate Professor Kroekkiet Phattanaseritham from the Faculty of Economics, Thammasat University, Mr Khanin Bunsuwan, an MP from Chonburi Province, Mr Charoen Siriphan, the deputy director-general of the Labor Department, Mr Chumphon Phonprapha from the L.P. International Company Ltd., Mr Phaisan Thawatchainan, the president of the Employees' Council of the Labor Council of Thailand and Dr Chira Hongladarom, the director of the Human Resources Institute, Thammasat University. The things that have led to an unemployment problem and the way to solve the problem can be summarized as follows:

Unemployment: The Minimum Wage

As compared with the unemployment problem in many other developing countries, unemployment in Thailand is very low. It is probably for this reason that many of the powerful people concerned with the unemployment problem have overlooked the importance of unemployment and instead given their attention to minimum wage rates and underemployment. This can be seen from the fact that the government

announced that the minimum wage rates would be adjusted in October 1981. In Bangkok Municipality and the surrounding areas, the minimum wage has been increased from 54 baht to 61 baht per day. In the central and southern regions, it has been increased from 47 to 52 baht per day. In the north and northeast it has been increased from 44 to 52 baht per day. The result of this increase in the minimum wage has been to cause great dissatisfaction among the businessmen and factory owners. It has reached the point where workers have been laid off and people who used to invest in the provinces since labor costs were cheaper than in Bangkok have stopped investing. Thus, the result of having increased the minimum wage rates has been to increase unemployment. It can be seen that, although the members of the labor unions have played a part in supporting the government's adjustment of the minimum wage rates, which has increased the minimum wage paid to the workers, considering things carefully, it can be seen that the workers also have a greater chance of being unemployed.

#### The Agricultural sector

The problems concerning markets for agricultural products and the problem of promoting investments in that part of the agricultural sector that is concerned with markets are serious problems. Even if agricultural production increases, because the agricultural products price guarantee policy has failed to achieve results, even though the farmers produce goods themselves, the stipulation of prices is still in the hands of the merchants. And if the farmers want to purchase other goods that they cannot produce themselves, it is again the merchants who set the prices. The farmers are thus in a situation in which they must be patient and reconcile themselves to being poor, regardless of whether their yields increase or fall. This is why people from the countryside have migrated to the cities. Thus, more and more laborers have flocked to the cities and these are unskilled laborers. This has created an unemployment problem.

#### The Industrial Sector

Investments in the industrial sector will probably not increase very much because of the effects of both domestic and foreign factors. Within the country, the government's devaluation of the baht and inflation have played an important part in reducing people's purchasing power. When the demand for goods does not increase, industry and trade expand very little. As for those factors outside the country that have had an effect, because of the world economic recession and the international trade and finance situation, there is a tight money situation and this has directly affected business and employment.

#### Government Policies

The government has played a very important role in creating the unemployment crisis. The first thing has been the government's lack of stability and its lack of a definite policy concerning the promotion of investments in both the industrial and agricultural sectors. Besides this, the government's financial policies concerning government expenditures and the tax system have not created a [good] investment atmosphere or promoted the creation of jobs. This can

be seen from the fact that in the national budget, only 30 percent has been earmarked for national development and for promoting investments. The government is spending the other 70 percent on wages, national defense and so on. The adjustment of the tax rates has had an effect on investments and employment too. The government should implement a tax policy that will lead to greater employment, such as by lowering taxes for investing in certain activities.

#### The Way to Solve the Problems

Regardless of what sector is considered, the private and government sectors, industry and agriculture, the labor unions and the government's policies have all definitely played a part in creating the unemployment crisis in 1982. Thus, as a short-term solution, the government should really play a part in the creation of jobs, both through that part of the national budget earmarked for national development and through the investment promotion policies. This should be done in both the industrial and agricultural sectors. Besides this, labor relations must stress slowing down lay offs instead of increasing wages only. The minimum wage adjustment policies must look at both relations and production. Also, the government should encourage business to train more laborers.

As for the long-term, it is essential that there be measures that will help increase employment. And the structure of the economic system must be improved. At that seminar and discussion, those attending did not stress what the form of this new economic system would be. They did not say whether it would be a free system or a socialist system.

A study done by the research group of Dr Somchai Rakwichit found that the economic system that is favored by the majority of the people is a mixed capitalist and socialist system similar to the present system. But the country's economic and social system must be improved so that it is a secure, fair and efficient mixed economic system and so that the people can lead happy lives and have security concerning their lives and property. PATINYA feels that this mixed economic system will help those who intend to invest and enable them to continually increase their investments. At the same time, this will make things fair for the laborers. This will help the country's general economy and help create more jobs.

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REFUGEE REPATRIATION, CAMP CHICANERY REPORTED

Bangkok KHAO CHATURAT in Thai 26 Apr 82 pp 30-33

[Article: "Returning to Their Homes In Laos"]

[Excerpts] During the second week of March, 133 Lao refugees had a chance to cross the Mekong River, the natural boundry between Thailand and Laos. This was not the first time that Lao people have crossed the border. Tens of thousands of Lao people have done this during the past 7 years. But this time was special. They did not cross over secretely but crossed over during the day with the help of officials from the United Nations High Commission On Refugees (UNHCR) and with the consent of both the Thai and Lao governments. In this group were 46 Meos; the other 87 were Lao. These people came from Laos and went to a refugee camp in northern Thailand. And now they have had to return to Laos.

Two years ago this month, the first four refugees were repatriated in accord with the voluntary refugee repatriation program, which is under the control of the United Nations. After that, more and more were repatriated. The figures to date show that 560 Lao people and 307 hill tribesmen, most of whom are Yaos, [have been repatriated]. These figures are not very notable when compared with the 180,000 Lao refugees. Of this number, 60,000 hill tribesmen have gone and settled down in third countries. The remaining 90,000 are still in refugee camps in Thailand. Of this number, approximately two-thirds, or 67 percent, are hill tribesmen, most of whom are Hmongs.

Repatriating the refugess back to their homeland seems to be the easiest and most humanitarian way to solve this rather complex problem. At a time when the United Nations and other international aid organizations must work hard to find money to support the various aid programs, repatriating these people back to their homeland is better than having to aid these people in places outside their homeland. This is because these people must adjust to a [new way] of life, they must study new languages and there are many other problems. Besides this, this is also a delicate matter concerning international political security, just as in the case of the Palistinian problem in the Middle East, which in the end became the major problem in the conflict in that region and led to general unrest.

Since Thailand is responsible for the 180,000 Lao refugees living in the refugee camps supervised by the UNHRC and for the approximately 200,000 Kampuchean who are living in the Thai-Kampuchean border area, it wants the refugee repatriation program to be carried out as quickly as possible. This is because the number of refugees allowed to go on to a third country, particularly the United States, has been greatly reduced during the past several months. Thus, a satisfactory and necessary way to solve the problem in the present situation is to send them back to their own country. While the officials concerned are satisfied with the results of the repatriation of the refugees in the camps, others have asked whether sending large numbers of refugees back will have any effect or whether it is even necessary. At the same time, the repatriation of people across the Thai-Kampuchean border is continuing, especially at the Khao I Dang and Sarakaao camps. But things are being done differently than they are with the Lao refugees. In the case of the Lao refugees, the activities of the past 2 years show that this repatriation program is possible but that there are limitations. It is not a permanent "way out" for Thailand in solving the refugee problem.

The Yao group's return to Sayaboury was similar to this group's migration from one mountain to another during the past century, generation after generation. The children were strapped to the backs of their parents. Bags of rice and bamboo water flasks were carried on the shoulders. They also carried oil lamps and other necessities. The elderly in the tribe wept as they walked. Most of the Yao women wore black dresses with red buttons and old but beautifully embroidered pants. During the trip, people coughed and constantly blew their noses.

The men who had once worked as farmers in the high mountains in northern Laos were very thin, nothing but "skin and bones." Some showed signs of having malaria. During the trip, there were periodic rest stops. Sometimes they stopped to get a drink of water, which could be found everywhere. If they felt any uncertainty about what was waiting for them ahead, they did not show any signs of this because once they crossed the Mekong River, they were committed to going on with no chance of ever returning.

But why and when did it become necessary for them to flee aimlessly across the river into Thailand? Choichong Saetoen, age 38, the father of six children, travelled to Thailand with his children and wife. When asked why he and his family had left during the spring of 1979, he replied that, before he left, several Yaos who had previously crossed over into Nan Province returned to Phiang Boun District, which is where he was living, in Sayaboury Province and tried to persuade people in the district to flee. At that time, approximately 174 people travelled as a group until they reached the refugee camp in Nan Province. It took them about 10 days to get there. Each of them paid the guide "1 French coin" for having led them out.

When they arrived at the camp in Nan Province, they discovered that their friends who had persuaded them to come here had already left for a third country. "But I did not know anyone well enough to have them act as a sponsor for me and I didn't know what to do to be able to get to a third country."

Those who have volunteered to return home have lived in the camp in Nan Province for different lengths of time, just as it took them a different amount of time to get here from Laos. Chiemon Caeli left Sayaboury in 1975. He was hired to carry goods. The person who hired him was named Thongchan. His aim was to escape from the communist system of government. It took them 15 days to make the trip. He was accompanied by his wife, but his wife died at the camp. While Thongchan, the man who had hired him, was able to go to a third country, Chiemon found himself in the same situation as Choichong. That is, he was unable to get a third country to admit him. Thus, there was only one thing to do and that was to return to Laos.

After having fled to Thailand and lived here awhile, it is not easy for the refugees to ask to be sent back. Choichong said that "some people recommended that I flee from the camp and find a place to live in Thailand." He said that he had relatives here and that he knew other Lao refugees who had fled from the camp and settled down in Thailand. "But I was afraid that one day the police would discover and arrest me." This was why he did not dare follow this advice. Those who are still at the camp in Nan Province can return to Laos easily. They do not have to go through such difficulties. But if they are moved to Chiang Kham, they will no longer have a chance to do this. There are also many other problems. For example, there is the problem of people being oppressed by refugees who arrived earlier and who lived in Chinag Khong before. Most are former members of the "Sakai" (CIA) forces that were under the command of Chao La. These people fled across the Mekong River from Ban Nam Yu. These people are still very hostile toward the Lao government. Chaichong said that "they do not want us to return to Laos. They have told us that the Lao government will soon send aircraft to bomb our village."

But in the end they decided to ask to return to Laos, even if they had to risk being assaulted before reaching Nong Khai or even being killed by Lao soldiers. In this group, in addition to Choi, there was also his family, including his parents who had adopted one of his children. In the past before they fled from Laos, Choi and his family had grown rice, poppies and corn. But they are not sure if they will cultivate poppies again when they return to Laos. "If we return and live in the high mountains again, we may grow poppies."

When they reached Nong Khai from the Chiang Kham camp, officials gave them various items necessary for daily life such as cooking utensils, dried food, soap and black cloth (or jeans or Lao-style pants). The officials assured them that they would be safe during the trip to Laos and that they would not be bombed. Those who were not involved in the "secret war" in Laos were satisfied with these comforting words.

But for those who are involved or who were once involved, one observation concerning the situation at one camp in Chinag Khong is that there were 3,200 refugees there, most of whom were Yao and Liso tribesmen. In the middle of February, these people were moved to another camp in Chiang Khong further north. As for the Hmongs, they were moved to Nan (the plains Laos were sent to Ubon Province). But only 46 of these people volunteered to return to Laos at the beginning of March.

There are still approximately 85,000 to 90,000 Lao refugees in Thailand. Most of these are referred to as "hard heads" or "remnants." This includes people who have refused to go settle down in a third country and those whom no third country wants because of their lack of qualifications. The transfer of the plains Laos to Nakhon Phanom has resulted in those who cannot go to a third country having to return to Laos instead. (Statistics provided by officials do not clearly show how many have returned home since during the past 2-3 years, large numbers of refugees, totalling hundreds of people, have fled from the camps and returned to Laos on their own.)

Thus, this leaves the "hard heads," most of whom were once members of the Vang Pao forces and the forces of Chao La. These people want to return to the mountains in Laos. But they want to return on their own; they do not want the Lao government or refugee officials to get involved at the Ban Winai camp. Besides refusing to be resettled in a third country, the remnant forces of Vang Pao have attempted to win over and even threatened other refugees who want to return to Laos or go to a third country.

In October 1980, Vang Neng, a relative of Vang Pao and a leader of the refugees at the Ban Winai camp, received permission to go live in the United States. As he was about to get into the vehicle that refugee officials had provided for those who were leaving for a third country, he received a death threat in a letter that was attached to the door of his hut. He was threatened in other ways too and so he gave up. Today, he is still living the life of a refugee at Ban Winai.

The fact that more than 55,000 soldiers of Vang Pao have come to live in the refugee camps has caused great alarm among Thai officials. Besides this, these forces have shown no sign of breaking up.

As for the events along the Thai-Kampuchean border, people are being sent back quietly and things are being done differently than they are along the Thai-Lao border. This is because the two countries cannot reach a direct agreement about this. Thus, the repatriation of Kampuchean refugees has gone through many stages. For example, approximately 2,300 refugees were sent back. UNHRC officials were told that these people had returned voluntarily. No one knows how many times this method has been used to send people back. But at the beginning of this year, Phnom Penh officials issued a report that 5,000 Kampuchean refugees had returned home. If the political conflict can be separated from the matter of repatriating the refugees, the refugee problem will be reduced somewhat. This would certainly benefit Thailand.

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'VOPT'-VOPB' LINKS DISCUSSED

Bangkok SIAM MAI in Thai 24 Apr 82 pp 18, 19

[Article: "The VOPT Radio Station on the CPT-BCP Line"]

[Text] The final day of broadcasting for the Voice of the People of Thailand was 11 July 1979. In its final report that day, the station announced that it was closing temporarily. Since that day, many groups have watched the movements and listened for news concerning when the station will start broadcasting again. But they have just waited.

At first, or during the first year after the station was closed, there was much confusion among those who were waiting for news because there was no clear explanation about why the station was closed. But later on, everyone clearly recognized the "necessity" of the station. And after that, reports that the VOPT radio station would be established in Thailand in accord with the principle of self-reliance that was confidently announced by the CPT were disseminated widely. But to date, almost 3 years later, there have not been any broadcasts by the VOPT.

Broadcasts By the Burmese Communist Party

A military news source has confirmed that the last time that the VOPT tried to broadcast was on 7 December 1981. Before that, it tried during the middle of 1980. This matter has constantly been checked by the government units responsible but there has been no clear statement concerning the location [of the station]. Some say that the Khmer Rouge's Voice of Democratic Kampuchea radio station was used while others say that these reports were broadcast from the radio station of the Burmese Communist Party, which broadcasts from a secure base in the northeast of Burma near the Chinese border.

"Before the party closed the VOPT, Vietnamese officials proposed that it be moved to Vietnam. They also proposed that two stations be set up. But the party turned down these proposals; officials did not know about this," said a person who was once closely associated with the VOPT radio station to SIAM MAI.

"After that, during [a period] of important events, the party requested to use the station of the Burmese party. People who were in China after the VOPT was closed know about this," stated the same news source. "As far as I know, the last time was on 1 December 1980 on the anniversary of the founding of the party."

#### On the Path of the Thai and Burmese Parties

The large area from the northeast all the way to the north of the Shan State in Burma borders the northern part of Laos and China's Yunnan Province. The terrain is composed of high mountains and forests, and the Salaween River divides the Shan State into two parts.

The western bank of the Salaween River is the zone of the Shans. And in one area on the eastern side of the river are all the secure bases of the BCP. A high-level news source said that their armed forces presently number 50,000 men and that the leadership center is located in Mong Pang Shang near the Chinese border, which is a secure rear. A group of Western reporters who went and filed reports about this secure base stated that the secure base is a liberated zone that is well-supplied and that this is where the VOPB radio station is located.

The movement to form close relations between the CPT and the BCP has been going on for a long time, and at present, there are several interesting phenomena.

The 1-8 April 1982 issue of THE FAR EASTERN ECONOMIC REVIEW contained a very interesting article concerning the attempt of the CPT and the BCP to cooperate with some of the minority groups in order to open a route from the north to Burma's Kayah State, which borders Khun Yao District in Mae Hong Son Province in Thailand.

Concerning the CPT and BCP movements that were mentioned in the article, there were at least two movements, one during November 1981 and one on 8 February 1982, with high-ranking representatives of the CPT joining the BCP. The writer of this article cited reliable news sources in the Shan State.

Besides this, the article also pointed out that, in early 1981, the BCP had proposed exchanging items in order to form close relations with Khun Sa. But Khun Sa's side refused. But when the Thai side launched its suppression drive and expelled Khun Sa's forces at the beginning of the year, Khun Sa's attitude toward the BCP probably changed.

"The two parties have had relations for a long time; this is normal. The route that passes through Laos and China is used. Party officials of central committee rank have had close contact, especially during the period when the group received great pressure from China," said one man who had left the jungle to SIAM MAI.

"Regardless of Where It Is Located, We Will Attack It"

The recent joint movements of the CPT and BCP have not been commented on widely. But a high-ranking military news source stated that while it is felt that both parties still have limitations and cannot carry on joint operations, attention must be given to what the results of these closer relations between the two parties will be in the short term.

"Concerning the opening of a supply route from China through Burma just as the Ho Chi Minh trail was once opened through Laos, this is definitely not possible nor is it necessary," stated a well-informed news source.

"This is not yet possible because of the problems with the ethnic minority groups that live in the Thai-Burmese border area to the east of the Salween River. The BCP does not have relations with them. Thus, opening a communications route here, where there has never been one, is beyond their power. With things like this, supplies must be transported by foot. Each person must carry 40 liters of rice both going and coming. In such a situation, this is not possible," said the same news source.

"As for this being unnecessary, this is because they will probably receive aid from China as usual. Even though it may be more difficult than before, Thais in Zone 12 can still go visit their relatives in Chiang Rai as usual. If they continue to receive aid from their friends, there is no need to build a new route."

Since relations between the two parties are viewed as being strategically necessary and since there has been pressure from a friendly country, they have had to increase mutual cooperation on several fronts. And since there is no reason to believe that this supply route will be established, the remaining thing that must be given attention is the combat propaganda. The thing that the CPT must now struggle with is [reopening] the VOPT radio station.

Thus, based on what a high-ranking army officer once told a reporter, this is something that the military is very concerned about. "We will definitely not allow the CPT to set up a radio station. Regardless of where they set it up, we will attack it. But I doubt whether we will have a chance to attack it."

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