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## Southeast Asia Report

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10 December 1984

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## HUMAN RIGHTS VIOLATIONS, STARVATION IN EAST TIMOR DENIED

Jakarta MERDEKA in Indonesian 15 Aug 84 pp 1, 4

[Article: "These Are Just Rumors," Protests Carrascalao. No Human Rights Are Violated and There Is No Starvation in East Timor"]

[Text] Dili, East Timor, Tuesday [14 August]--Mario Viegas Carrascalao, East Timor governor, explained that the rumors that human rights have been violated in his region, spread by groups overseas, are totally unfounded.

Responding to a question from a MERDEKA reporter in Dili on Tuesday afternoon, Mario Carrascalao also said, "Political moves such as this are groundless and are issued routinely as the time approaches for the convocation of the UN General Assembly. So, they are nothing out of the ordinary nor surprising."

He explained that foreign groups' standards for what constitutes human rights are clearly different from those of Indonesia and its people, "because we adhere to the Pancasila ideology in Indonesia," he said.

Mario also denied that anyone was starving in his region.

At this time, he said, the word "starvation" cannot be used to describe conditions in East Timor. "Of course, there has been concern about the availability of sufficient food but not in all villages in East Timor. And although there may be a food shortage in some villages, isn't East Timor known as an arid region?" he asked.

Some of the villages in East Timor, he said, are now self-sufficient in rice. However, some have a surplus, and villages in arid areas are always aided by those that have surplus food.

Conditions in the East Timor Province appear to be better at present, Mario Carrascalao said, because of the great attention paid to this region by the central government. "Each year, the government allocates no less than 5 billion rupiahs in the APBD [National Estimate of Income and Expenditures] for East Timor," he said simply.

And due to the government's attention also, no less than 500 students have been sent to study at universities in other areas in the past 8 years. During

the almost 450 years of the Portuguese colonial era, no more than 10 persons from East Timor obtained university degrees. "Moreover, senior high schools have now been established here by the government as well as by private parties," he added.

The regional office of the Manpower Department in Dili has trained 1,000 residents of East Timor Province in skills that can be used in common labor such as rock crushing. The same is true for the DEPSOS [Department of Social Affairs]. "Nevertheless, the East Timor Province still needs skilled manpower, for instance, engineers and doctors," he added.

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CSO: 4213/2

# MINISTER DESCRIBES IMPROVEMENT IN ECONOMIC SECTOR

Jakarta KOMPAS in Indonesian 16 Aug 84, pp 1, 12

[Article: "MENKO Ali Wardhana: Indonesian Economy Now Is Encouraging; Credit Is Growing at a Very Rapid Rate"]

[Text] Jakarta, KOMPAS---Credit has grown at a very rapid rate during the first 6 months of 1984 indicating that the Indonesian economy is moving along much better than it did last year. In 1983 credit grew to 1.9 trillion rupiahs. The same figure was achieved in just the first 6 months of 1984, when credit rose from 14.3 trillion rupiahs in December 1983 to 16.2 trillion rupiahs in July 1984.

This rapid rate of growth for credit is also reflected in the figure for money in circulation. It rose only by some 400 billion rupiahs in all of 1983 but grew by 1 trillion rupiahs in the first 6 months of 1984, rising from 7.5 trillion rupiahs in December 1983 to 8.5 trillion rupiahs in July 1984.

Prof Dr Ali Wardhana, MENKO EKUIN [coordinating minister for the economics, finance and industry compartment, who provided specific information to KOMPAS on Wednesday afternoon [15 August], said the Indonesian economy at present is far more encouraging than it was from the beginning to the middle of last year. Although money in circulation increased very rapidly, the inflation rate rose by only 7.91 percent from January to July.

## DO NOT CLING ONLY TO THE U.S. DOLLAR

In regard to the exchange rate for the rupiah against foreign currencies, Minister Ali Wardhana said, "We should not only look at the U.S. dollar."

He noted that Indonesians are more accustomed to clinging to the U.S. dollar as if it were their own currency while the value of that currency now is increasingly strong. People feel the rupiah is weakening although this is not so. Figures show that the value of the rupiah rose against European currencies and the Hong Kong dollar and dropped only against several strong Asian currencies.

From March 1983 to July 1984 the value of the rupiah weakened only by 6.5 percent while in the same period the deutchmark weakened by 20.3 percent, the

Dutch guilder by 20.9 percent, the French franc by 23 percent, the Swiss franc by 18.7 percent, and the pound sterling by 13.3 percent. The Singapore dollar weakened at one of the lowest rates, only 3.2 percent, and the Japanese yen by 2.9 percent.

These figures show that the rupiah exchange rate remains good because it has weakened only little in relation to the U.S. dollar while the value of the U.S. dollar rose because of exceptionally high U.S. interest rates.

#### State Budget

Minister Ali Wardhana explained that it was not true that the 1984-85 APBN [National Estimate of Income and Expenditures] was jolted by the postponement of the implementation of Law No 8 of 1983 concerning the value-added tax on goods and services and the sales tax on luxury goods.

He stated that the old tax law would remain in effect until the new tax law became effective so there would be no break in revenue received from taxes. Therefore, it was not true, as some groups had predicted, that state revenue would be reduced by 1 trillion rupiahs because of the postponement of the date on which Law No 8 of 1983 would come into effect.

The drop in the price of oil on the world market, of course, is disturbing, but to date the price drop has had no effect on the 1984-85 APBN because Indonesia sells oil only on a contract basis at the official OPEC price. Indonesia does not sell oil on the cash market where the price has dropped. The Indonesian APBN will be affected only if the price remains low for a long time and has an effect on the OPEC official price.

#### Investment Needs

According to the plan contained in REPELITA IV [Fourth 5-Year Economic Development Plan], national investment will total 145.2 [as published] trillion rupiahs consisting of 77.5 trillion rupiahs for government investment and 67.5 trillion for private investment. In fiscal 1985 government investment is planned at 10.5 trillion rupiahs and private investment at 8.6 trillion rupiahs. With such high investment, a great deal of foreign exchange is needed for importing investment needs and basic materials. Will enough foreign exchange be available for these purposes?

Minister Ali Wardhana said that an import program has been prepared for all of REPELITA IV including an import program for government as well as private investment needs. In fiscal 1985 imports are planned at \$14.666 billion.

A high figure such as this for imports is not surprising because imports of investment needs were high earlier. In fiscal 1984 imports totaled \$14.4 billion.

State-Owned Business Agency (BUMN) investment, outside losses incurred by BUMN in operations in which it is involved, is very great. For instance, PJKA [Indonesian State Railways] will continue to be expanded through new

investment although this state-owned company perhaps will not make a profit because it must serve the people's interests. The same is true for other state-owned companies.

#### Banking Has Been Supportive

Both government and private banks have been supportive of investment needs. Since the 1 June 1983 government policy became effective, which permitted banks to set their own interest rates to accumulate funds, government as well as private banks have been able to respond rapidly to serving loan applications.

Before that policy became effective, government bank activities were limited by a fixed credit ceiling. As a result, depositors who had no credit needs fled to private banks with higher interest rates. This unhealthy situation no longer exists.

This is good for private business activity which should be promoted, and because the interest rate is high at present, businessmen looking for loans must really calculate carefully how much they choose to invest. This also enables good businesses to be selected, Minister Ali Wardhana said. Meanwhile, the figures for deposits show they are rising so that investment is being supported by the people themselves.

In the first 6 months of 1984, bank deposits rose from 2.1 trillion rupiahs in December 1983 to 2.7 trillion rupiahs in July 1984, a rise of 600 billion rupiahs.

Thus, banking is functioning as it was meant to function and should continue to do so.

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CSO:4213/2

## RESETTLEMENT OF FY 1985 TRANSMIGRANTS DELAYED

Jakarta MERDEKA in Indonesian 20 Aug 84 pp 1, 11

[Article: "Resettlement of New Transmigrants Still Zero"]

[Text] Jakarta, Sunday [19 August]--Transmigration Minister Martono admitted that as of mid-August no fiscal 1985 non-voluntary transmigrants had been resettled although clearing of the land had begun. For the same period last year, 20 percent of the target for resettling transmigrants had been achieved.

Martono gave this information to MERDEKA last Thursday [16 August] after he attended the plenary session called for the sole purpose of hearing President Soeharto's state address in the context of celebrating the 39th anniversary of the Independence Proclamation, held at the DPR/MPR [Parliament/People's Consultative Assembly] Building in Senayan, Jakarta.

Concerning the reasons for the delayed resettlement, Martono said, among other reasons, a great deal of work must be done from surveying and clearing the land to building homes, and so on. In addition the DEPTRANS [Department of Transmigration] is a new department in the Fourth Development Cabinet so a transition period is needed.

#### Work on Land Preparation:

Meanwhile, a MERDEKA source said that as of the end of August no land had yet been prepared for fiscal 1985 although for the same period in fiscal 1984 virgin land had been cleared for the resettlement of some 20,000 transmigrant families.

A factor in that delay, he said, is the inconsistent operation to date of those contracted to do such work.

This year public and PIR [people's nuclear estate] land was cleared in 377 sites in Indonesia. Most of these sites, 43, are located in West Irian.

In detail virgin land must be cleared for this year's quota of some 45,000 families and 78,000 families left over from the 1983-84 quota. Of this huge figure for needed land preparation, the most that has been accomplished to

date has been enough to resettle 25,000 families, namely, families remaining from last year's quota. While no land has yet been prepared to meet the non-voluntary target of 47,000 [as published] families for this year.

For the period through the month of August, 1,500 families of those included in the non-voluntary target have been offered resettlement at a site located in North Sulawesi while other transmigrants are being processed for another site in Riau.

It was planned that of the target of 750,000 families to be resettled during the first year of REPELITA IV [Fourth 5-Year Economic Development Plan], some 125,000 families would leave Java, Bali, and West Nusa Tenggara.

The MERDEKA source said the pessimistic target of resettling only 125,000 families could be achieved only if progress now being made in land preparation were maintained.

He admitted that such progress has not been maintained for the reason that for the past several months both the KASUBDIT [chief of the subdirectorate] and the staff of the Resettlement Land Preparation Directorate General (PANKIM) have sat chatting in their offices rather than working on the problem.

#### DPR Comments

Usman Hassan, member of the DPR [Parliament] Commission IV, representing the FKP [Development Functional Group Faction], the commission concerned with transmigration, agriculture, and forestry fields, said since the target to be achieved during the first year of REPELITA IV is far greater than that set for the first year of PELITA III, PANKIM should be better prepared.

"In this case better work and more efficiency are demanded of those preparing the land," he commented.

Further, he explained, this is a very hard job, moreover with the tens of projects that are to be rehabilitated in addition to the land that must be prepared for non-voluntary and voluntary transmigrants."

Dja'far Siddiq, member of DPR Commission IV representing the FPP [Central Pancasila Front], reminded his listeners that work on land for transmigrants must be started at least 2 years prior to the time the transmigrants are to be resettled. From the beginning, attention must be given to how well the land is being prepared as well as to how much land is being prepared.

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INDONESIA

## INDONESIAN USE OF CHEMICAL WARFARE IN EAST TIMOR CHARGED

Lisbon DIARIO DE NOTICIAS in Portuguese 22 Oct 84 p 3

[Text] Indonesia "has now used chemical warfare in the war it is waging against the people of East Timor," exclaimed Abilio Araujo, FRETILIN [Revolutionary Front for Independent East Timor] head of foreign relations, at a meeting held in Coimbra by the Committee for the Rights of the Maubere People.

Since March 1983, when Indonesia broke the cease-fire with Frelitin, "40,000 soldiers have been sent to the land of the Maubere people," Abilio Araujo said.

The FRETILIN leader disclosed that "East Timor's regular forces, totaling 6,800 men, are operating in about 80 percent of the territory, and two companies are carrying on guerrilla activity 5 km from the capital, Dili."

"Our basic principle," he said, "is to count on our own forces, but we do not refuse international support. Meanwhile, we are not yet receiving from abroad a single bullet, pill or blanket."

He stressed that FRETITIN has been fighting with weapons captured or purchased "from Indonesian soldiers" and then went on to say that "our guerrilla action is aimed at the entire Indonesian army and the projects which are serving to safeguard the invaders' stay in Timor."

Araujo also said that Indonesia "is bringing hundreds of families from the island of Java to East Timor," but these families "feel like foreigners inasmuch as they do not speak the same language and do not find their culture compatible with that of Timor."

Araujo maintained that the solution to the East Timor problem must begin with "three-part negotiations among Portugal, FRETILIN and Indonesia without prior conditions."

The UN General Assembly, in its ninth resolution adopted in 1982 with the aim of solving the problem, mandated the secretary general to initiate conversations with the interested parties, Portugal continuing to be recognized as the "administrant power."

According to that official, such conversions "will never yield any result," since, in addition to Indonesia, the United Nations as mediator and Portugal, "FRETILIN should also take part."

"The ones who are carrying on the war are not Portugal and Indonesia but, rather, the people of East Timor and those of the invading country" and therefore "we are failing at the negotiating table," he said.

The FRETILIN leader rejected the possibility of an alliance with Indonesia.

He said that "the people of East Timor consider Portugal an ally" and that "Timor's independence will mean that one more nation in Southeast Asia will speak the Portuguese language, 25,000 km away."

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CSO: 3542/32

## BRIEFS

OMBILIN COAL EXPORT UP--Jakarta, KOMPAS--During the first 7 months of 1984, coal exports from Ombilin, West Sumatra, rose considerably compared with the same period of the previous year. For the period January through July coal exports totaled 226,747.15 tons while they amounted to only 38,636.323 tons for the same period in 1983. This was noted by H. Sazili of PN Batu Bara, responding to a KOMPAS question in Jakarta on Wednesday [15 August]. He said exports rose because overseas importers began to recognize the Indonesian coal market. Earlier, because of the recession, coal marketing was far more difficult. From January through 31 July, coal production at the Ombilin mine totaled 319,992.46 tons. Of that total, 97,739.11 tons were used domestically while the rest of the production for this period and what remained of the previous year's production was exported. Purchaser nations were Malaysia, South Korea, and Japan while domestic consumers consisted of PT Semen Padang, the Ombilin steam-powered electric power station, Indonesian State Railways, small private businesses, and PT Aneka Tambang (located in Pomalaa, Kolaka). Sazili said demand for Ombilin coal actually continued to rise because of new demand for coal by Taiwan and South Korea. Such a demand had to be turned away because it could not be met with current production capability. Sixty-eight percent of the 1984 overall production target of 500,000 tons was met by the end of July. "It is expected that with the arrival of new equipment, production next year could be increased to 750,000 tons," he added. Sazili feels positive that this target will be achieved based on the preparations of production facilities now being made. [Text] [Jakarta KOMPAS in Indonesian 16 Aug 84 p 2] 6804

CSO: 4213/2

SEREIKA RETURNEES WELCOMED, CITE REASONS FOR DESERTING

BK221104 Phnom Penh Domestic Service in Cambodian 1200 GMT 20 Nov 84

[Station correspondent's "newsletter" entitled: "Why Has Pursat Province Achieved Success in the Movement to Persuade Enemy Elements To Return to the Fold?"]

[Text] Through their great vigilance, good combat preparations, [words indistinct], and resolution to attack the enemies for the defense of communes and villages, in the past few days at the end of October 1984, our armed forces and people in Pursat Province have scored great victories in attacking and persuading the commanders of the Son Sann reactionary forces from 3 battalions and 165 soldiers from 2 battalions to desert the enemy ranks and return to the fold bringing along their weapons and war equipment. They have been warmly and properly welcomed by our people and authorities. Some of these returnees have been reunited with their families, wives, and children while some others who were ill have been given proper treatment.

I arrived in Pursat Province on the day that the authorities and people throughout the province organized a meeting to welcome the sereika soldiers who have returned to live with out people and revolution. Aside from the beautiful decorations in the meeting place, I was impressed by the fact that a large number of people with smiling face joined in the meeting. Meanwhile, despite the fact that some of them were wearing old clothes, were thin, and had long hair, all the returnees looked happy about the care and welcome given them by the authorities and the people. The happiest persons were the families--wives, and children--of the returnees who were also present there. I have learned that Pursat Province has achieved such a great success because first of all, after receiving the party secretariat's directive on the movement to persuade misled persons to return to the fold and the new 6-point policy that has been approved by the National Assembly, at the beginning of October Pursat Province organized a meeting to study combat measures against the enemy and to set forth the five combat tasks by taking the attack against the enemy elements and the movement to persuade the enemy elements to return to the fold as the main offensive measure. This means that we must first attack and cause chaos among the enemy elements so as to launch the political offensive. After discussing and agreeing on the offensive plan, the province was divided [into] zones for the offensive against the enemy by taking Bakan District as the most important point. The province has set up more committees at all levels in

charge of persuading misled persons to return to the fold. This is in order to enable these committees to launch activities according to the requirements of the campaign. After assigning cadres to be responsible for various tasks, the province organized many lifestyle meetings in communes and villages so as to enable the authorities and people there to understand the essence of the party secretariat's directive on the movement to persuade misled persons to return to the fold and the new 6-point policy adopted by the National Assembly. As a show of our strength in attacking and persuading enemy elements, all important sectors and communes have held meetings to encourage and command those who have performed well in persuading their relatives to return to the fold and to commend those who have deserted the ranks of the enemy and returned to join their families, particularly those who have performed well before returning to join their families, people and revolutionary authorities, such as Uncle (Ip), an inhabitant of Ta Lo Commune, who with the permission of the local authorities went to persuade a son and a nephew to return to the fold. Another example is the case of (Hem Hay), an inhabitant of (Sham Preah) commune, who killed two enemy elements and gave himself up to the authorities bringing along three weapons. These two persons, Uncle (Ip) and Brother (Hem Hay), were commended during a meeting. With this good atmosphere and encouragement, the people, particularly those families whose sons and brothers have served the enemy, have greater confidence in the revolution and are pledging to join in this movement.

For example, inhabitants of Ta Lo commune have reported to our armed forces about the movement of the sereika elements. Our armed forces and the Vietnamese troops then launched an operation against these sereika elements. Having been attacked unwarned, these sereika elements fled in disarray. We pursued them into the jungle until 25 October when we killed 3 of them, captured 4 others, and seized 26 weapons. Realizing that these elements were in great panic, our armed forces and the Vietnamese troops intensified their attacks. During these attacks, our armed forces persuaded thousands of inhabitants, young and old alike, in various communes and villages to help call on the enemy elements to surrender by using megaphones in propagating the new 6-point policy and calling on those elements to surrender and [passage indistinct] the reactionary forces of Son Sann's 202d and 221st Battalions and the commanders of the 201st, 221st and 218th Battalions have returned successively in groups to various communes in Bakan District, such as Lumlich, O Ta Pong, (Khteah Rei), (Moung Thma), and (Boeng Sna) communes. By 6 November, 165 misled persons with 110 weapons returned to Bakan District. (Put Chheng) was their joint commander.

During this grand meeting, I met Aunt (San Nay), an inhabitant of Andong Krasang village, Andong Preah commune, Bakan District, who is the grandmother of (Kirivic), who has just returned to the revolution. She expressed her great joy at the return of her grandson before our microphone follows: [Begin (San Nay) recording] I was so unhappy when he went away. I am very happy to see him return. I told him: Oh! Grandson, it is good for you to return to our revolution. I am really very happy with the revolution. I welcome all who have returned. [End recording]

At the same time, Sister (Di Phos), an inhabitant of Dambok K'Kaok village whose husband has just turned himself in to the authorities, expressed her gratitude to the revolution as follows: [Begin (Di Phos) recording] I would like to thank the revolution for pardoning and not punishing my husband despite his wrongdoing. [End recording]

I then walked further to meet the sereika soldiers. Speaking about the difficult life in the camp, Comrade (Sot), deputy commander of the espionage unit, told me: [Begin (Sot) recording] About my living in the sereika camp, that is, the Banteay Ampil camp, I would like to talk first about the living condition in Ampil camp. The soldiers there have suffered seriously. The first problem is food. The humanitarian organizations distribute food to the people only. They do not distribute food to the army. Therefore, the soldiers have suffered greatly from a shortage of food. Each time the humanitarian organizations distribute rice to the people, the Thai authorities have bullied the people by kicking and beating them from the back and front. Some cry heartily before getting just 20 to 30 [word indistinct] of rice. There are also difficulties in the camp. The first difficulty is theft. [Words indistinct] rob people of their property and take liberties with the people's daughters. Sometimes there are quarrels and crossfire because the sister of a soldier in one group was taken advantage of by another group. This is one of the causes for disunity among the army ranks. Second is the conflict between the Khmer Rouge and the sereika groups of Son Sann and Sihanouk. One can never cross over to the other camp. The Khmer Rouge will never allow the inhabitants in the sereika camp to visit their relatives in the Khmer Rouge camp. If anyone falls ill, it is difficult to get treatment because there is not enough medicine. Over 5,000 families died in Sok San camp in 1979. There is also not enough medicine to cure malaria. [End recording]

(Tho Mol), political adviser to the 202d War Zone, called on all friends and relatives who are being misled into following the enemy with this: [Begin (Tho Mol) recording] My appeal is to all friends and relatives who used to receive training from me. I used to tell you and advise you on various measures to find happiness for your families and to find a good way out. Now I would like to call on all of you to return to the Kampuchean revolutionary party and the Kampuchean people. I arrived in Pursat Province 20 days ago. I would like to invite all friends and those in various camps--male or female alike--who know me and my good will for the nation to return. [End recording]

The first outcome of this mass return to the revolutionary authorities in Pursat Province clearly attests to the very serious defeat suffered by the Son Sann group in its propaganda to deceive Khmer soldiers into taking the wrong path as a means of implementing its dark design. Moreover, this has clearly proven that we have successfully broadened the tasks and duties of our entire army and people by mobilizing in a timely manner the combined forces and joint measures for attacking the enemy. The powerful strength of our armed forces and people, the beacon of justice and humanitarianism of our revolution, and the 6-point policy of our party and state have created favorable conditions for the misled persons to return to join our people and the revolution. I am convinced that if the role of the combined forces is expanded and the joint measures are taken in a timely manner throughout the country, the enemy will certainly be doomed and driven out of our beloved fatherland.

CSO: 4212/17

## VODK COMMENTS ON ATTACK ON NONG CHAN CAMP

BK230958 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
22 Nov 84

[Station commentary: "The Vietnamese Enemy's Attack on Nong Chan Kampuchean Refugee Camp Has Shown the Savage and Barbarous Nature of the Hanoi Vietnamese Enemy Aggressors Against the UN Resolutions"]

[Text] On 18 November and the following days, the Vietnamese enemy aggressors sent thousands of soldiers to attack savagely and barbarously the Kampuchean refugee camp at Nong Chan. Dozens of innocent Kampucheans, who had fled from the war of aggression and race extermination of the Vietnamese enemy and taken refuge in this camp, were killed and wounded. Many houses and belongings of our people were damaged and destroyed. Concurrently, over 10,000 people fled the camp and entered Thai territory. This foolish attack by the Vietnamese enemy aggressors on a refugee camp on the Thai border has clearly shown to the world the savage and barbarous nature of the Le Duan Vietnamese enemy aggressors in their war of aggression and race extermination in Kampuchea.

The Le Duan Vietnamese enemy aggressors are ambitious to swallow all Kampuchean territory and incorporate it into Vietnam as they did our Kampuchean Kraom [southern part of present-day Vietnam that belonged to the Kingdom of Cambodia] in the past. In order to achieve their ambitions, the Vietnamese enemy aggressors have massacred our people and committed genocide against our Kampuchean race. During the past 6 years, the Vietnamese enemy aggressors have killed our innocent people by using small and large guns, chemical weapons, poison gas, and biological weapons; stealing our people's foodstuffs; destroying our people's economy; and creating famine. Millions of Kampucheans have died tragically due to the extremely criminal acts of the Vietnamese enemy aggressors in committing genocide against our race. Hundreds of thousands of Kampucheans have fled from the Vietnamese enemy aggressors' massacre deep inside the country to take refuge in camps along the Thai border. At present, the Vietnamese enemy aggressors are attacking and killing these refugees in the camps along the border. This is the Vietnamese enemy's policy of exterminating the Kampuchean race. Furthermore, the Vietnamese enemy aggressors' savage and barbarous attacks on the Kampuchean refugee camp at Nong Chan also have shown to the world the arrogant and savage nature of the Vietnamese enemy aggressors, who do not respect international law, the United Nations, and international public opinion.

Less than a month ago, on 30 October, the 39th UN General Assembly session adopted a resolution with more votes than in previous years calling on the Vietnamese to withdraw immediately and unconditionally all their aggressor troops from Kampuchea and to respect the Kampuchean people's right to determine their own destiny with no external interference. During this UN General Assembly session--throughout the general debate as well as the debate on the Kampuchean problem--the overwhelming number of peace- and justice-loving countries throughout the world denounced and condemned Vietnam's aggression in Kampuchea and called on the Vietnamese to respect and implement the UN resolutions by completely and unconditionally withdrawing their aggressor troops from Kampuchea. When the debate at the United Nations on the Kampuchean problem ended, on the Kampuchean battlefield the Vietnamese enemy aggressors launched their attacks on Kampuchean refugee camps along the border. They have intensified the massacre of innocent Kampucheans by arrogantly and savagely spurning the UN resolutions and the correct and just calls of the international community. Moreover, during their attacks on the Nong Chan camp, the Vietnamese enemy aggressors fired artillery shells into Thai territory and clashed with the Thai Army. Thousands of Thai living in the border region were obliged to move deep inside their country. The situation in the Thai border region and in the whole of Southeast Asia is more tense.

The world is very angry with the Vietnamese enemy aggressors' savage and barbarous attack against Nong Chan refugee camp. Everyone has realized that the Le Duan Vietnamese enemy aggressors are very savage and arrogant. They prefer the law of the jungle and the use of force. They do not respect international law, the UN Charter, and the UN resolutions. Therefore, immediately after the Vietnamese enemy attacked Nong Chan refugee Camp, the international community strongly denounced and condemned their criminal acts. Concurrently, the international community has clearly realized the necessity of continuing to pressure the Hanoi Vietnamese aggressors more vigorously to withdraw all their aggressor troops from Kampuchea in accordance with the UN resolutions.

The Kampuchean people and the National Army of Democratic Kampuchea are very angry with the Vietnamese enemy aggressors. They are determined to unite to fight the Vietnamese enemy aggressors more vigorously on the battlefield. In particular, the Kampuchean people and the National Army of Democratic Kampuchea are resolute to intensify their attacks against the Vietnamese enemy aggressors on battlefields deep inside the country in order to pin the aggressors everywhere. They have decided to accelerate their attacks against the supply lines, positions, commune offices, storehouses for foodstuffs, fuel depots and warehouses for weapons of the Vietnamese enemy aggressors so that the aggressors will encounter many more difficulties on the Kampuchean battlefield. Concurrently, the Kampuchean people and the National Army of Democratic Kampuchea would like to ask the international community to denounce and condemn more vigorously the criminal acts of the Vietnamese enemy aggressors in all fields--political, diplomatic and economic--until they respect and implement the UN resolutions by unconditionally withdrawing all their aggressor troops from Kampuchea.

Peace cannot be restored in Kampuchea; Kampuchea cannot remain an independent, neutral and nonaligned country; and peace and stability cannot be restored in the Thai border region and in all of Southeast Asia to the benefit of the defense of peace and stability throughout the world unless the Vietnamese enemy aggressors withdraw all their troops from Kampuchea.

CSO: 4212/17

CLANDESTINE RADIOS REPORT BATTLEFIELD ACTIVITIES

Railway Cut in Battambang, Pursat

BK241011 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 23 Nov 84

[Text] On the night of 16 November, our guerrillas destroyed 400 meters of the Vietnamese railroad track between Veal Trea and O Sangke on the west Battambang battlefield and a railway bridge at Veal Trea.

On 16 November, our guerrillas destroyed the Vietnamese railroad track at 16 places between Totoeng Thngai and Kamreng stations on the Pursat battlefield over a distance of 336 meters.

SRV Reinforcements in Kampot

BK241013 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 23 Nov 84

[Excerpts] On 11 November, the Vietnamese enemy brought 10 more truckloads of reinforcements from Vietnam to Thnal Bat in Chhuk District, Kampot Province.

SRV Battalion Position Attacked

BK241016 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 23 Nov 84

[Text] At 0500 on 21 November, our national army successfully attacked a Vietnamese battalion position in Samraong village, Samraong commune, Mak Hoeun battlefield [Battambang Province]. After a 90-minute battle, we completely liberated and took control of this position. As a result:

1. We killed 15 Vietnamese enemy soldiers on the spot and wounded 17 others for a total of 32 casualties. We destroyed 38 barracks, 250 trenches, 60 DK-82 shells, 120 60-mm mortar shells, 108 mines, 30 cases of AK ammunition, 15 cases of 12.7-mm ammunition, 10 sacks of rice, and some military materiel.
2. We seized a 12.7-mm machinegun, a DK-82 gun, a 60-mm mortar, an M-79, 12 AK's, a B-40 rocket launcher, 2 RPD machineguns, 60 DK-82 shells, 5 60-mm

mortar shells, 50 B-40 rockets, 20 cases of AK ammunition, 40 sacks of rice, 8 maps, a pair of binoculars, 300 sets of clothing, and some military materiel. We took complete control of Samraong Commune which includes nine villages: Bat Trang, Kompong Reap, Siem, Tar Sar, Thmenh Trei, Vat, Samraong, Kandal and Thmei.

#### VODK: People Forced To Dig Ditches

BK231239 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 22 Nov 84

["News commentary": "In Puok District, the Vietnamese Enemy Aggressors Force Our People To Dig Ditches Along the Border West of Kampuchea"]

[Text] At present, in Puok District, Siem Reap Province, the Vietnamese enemy aggressors are forcing our people to dig ditches for them along the border west of Kampuchea. Concurrently, they compel each family to pay them 500 riel and 50 cans of rice. Anyone who refuses to go to dig ditches for them or fails to pay them would be imprisoned.

In order to achieve their criminal aims to launch offensive against the national army and guerrillas of Democratic Kampuchea and to massacre our people, the Vietnamese enemy aggressors have made every effort to round up and force our people in all districts and provinces to clear bush, build strategic roads, and dig ditches for them. The Vietnamese enemy aggressors have maltreated our people worse than they do to cattle. Our people or our youths, who are physically strong, were forced by the Vietnamese enemy to join the army and die at their place. Furthermore, the Vietnamese enemy aggressors robbed our people of money, rice, paddy and even clothes. Thus, our people have suffered from lack of foods and medicines. Many were afflicted by malaria and tragically died in the jungle.

Our people who are very angry with the criminal acts of the Vietnamese enemy aggressors, are not passive and do not let the Vietnamese enemy force us to dig ditches and die in the jungle. Our brothers and sisters are determined to unite and cooperate with our national army and guerrillas in the struggle against the Vietnamese enemy aggressors until they are all driven out of Kampuchea in order to put an end to all sufferings of our people and to safeguard our Kampuchean nation and race.

#### VONADK Reports Guerrillas' Actions

BK231249 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 22 Nov 84

[Text] The guerrillas in Vietnam's Central Highlands attacked the Le Duan Vietnamese soldiers at (O Khlo) on 16 October 1984, killing one and wounding two. They also seized an AR-15 and 27 rounds of ammunition. They attacked the Le Duan Vietnamese soldiers at (O Tangu) on 20 October, killing two, wounding one, and seizing a knife and two canteens. They attacked the Le Duan Vietnamese soldiers at (O Vei) on 26 October, killing one, wounding two, and

seizing an AK. They attacked the Le Duan Vietnamese soldiers east of (O Ang Leav) on 29 October, killing two, wounding one, and seizing two hand grenades.

In sum, the guerrillas in Vietnam's Central Highlands killed or wounded 12 Le Duan Vietnamese soldiers and seized 2 guns and some ammunition and materiel.

#### SRV Soldiers Kill Officer

BK231319 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 22 Nov 84

[Text] On 12 November, the Vietnamese soldiers posted at O Sala in Kompong Svay District on Kompong Thom battlefield shot to death a Vietnamese company commander for threatening and forcing them to go out and fight despite the fact that they had been ill.

#### Three Samlot Positions Still Held

BK250259 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 24 Nov 84

[Text] Since 11 November, our national army and guerrillas encircled three Vietnamese positions--two company positions and a battalion position--south of Samlot District office, on Samlot battlefield [Battambang Province] through encirclement, cutting communications and transport lines including telephone wires and shelling. This has completely cut off the Vietnamese at these positions, deprived them of their supplies, lowered their morale, and depleted their fighting force.

Realizing that the Vietnamese are weak, on 19 November our national army and guerrillas launched an attack against a company position. We destroyed and completely liberated this position. We killed 12 Vietnamese enemy soldiers and wounded 16 others; 4 bodies were left on the battlefield. We destroyed 32 big trenches, 40 small trenches, 32 barracks, and some military materiel. We seized two AK's, a B-40 and a B-41 rocket launcher, and some materiel.

On the afternoon of 19 November, a Vietnamese company attacked us four times in an attempt to retake this position. However, we ambushed the Vietnamese with mines. We killed 16 Vietnamese soldiers and wounded 14 others; 2 bodies were left on the battlefield.

On the morning of 20 November, the Vietnamese attacked us three more times but were beaten back by our ambush and mines. About a platoon of Vietnamese soldiers was killed and a number of others wounded.

On the morning of 21 November, the Vietnamese attacked us five more times but again they were repulsed. Thirteen Vietnamese soldiers were killed and 25 others wounded.

On the morning of 22 November, our national army launched an attack against another Vietnamese company position. After a 1-hour battle, we completely liberated and controlled this position. We killed 10 Vietnamese enemy soldiers on the spot, including a battalion commander, a company commander, 3 platoon commanders, and wounded 23 others. We destroyed 13 AK's, 2 60-mm mortars, 3 M-79's, 4 B-40 and 3 B-41 rocket launchers, a C-25 field radio, a telephone, 40 big trenches, 58 small trenches, 40 barracks, and some military materiel. We seized 12 AK's, 3 B-40 rocket launchers, a DK-82 gun, 2 60-mm mortars, 25 cases of AK ammunition, 30 B-40 rockets, 110 DK-82 shells, 40 M-79 grenades, 75 hand grenades, 112 mines, 27 cases of Guryunov machinegun ammunition, 12 RPD loaders, 10 gas masks, 50 rucksacks, 70 helmets, 40 pairs of shoes, 40 hammocks, 50 canteens, and some military materiel.

Following our attack and liberation of these two company positions, on the afternoon of 22 November our national army continued to attack to put pressure on and encircle a Vietnamese battalion position causing panic among the Vietnamese soldiers who fled. We completely liberated and controlled this position.

It is to be noted that the three positions we have liberated were attacked by the Vietnamese many times in an attempt to retake them. However, we successfully repulsed these attacks and we still control these positions as of 23 and 24 November. We are moving forward in our attacks.

#### Fresh Troops to Kompong Speu

BK210839 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 20 Nov 84

[Text] On 9 November, the Vietnamese enemy aggressors sent nine truckloads of fresh troops from Vietnam to Bat Doeng, Chamka Dong, and Ang Taset, Oudong District [Kompong Speu Province].

The Le Duan Vietnamese enemy aggressors have no goodwill to resolve the Kampuchean problem through political means. The United Nations has called on them to completely withdraw their aggressor forces from Kampuchea. However, they are stubborn and have sent more fresh troops to continue to kill the Kampuchean people and exterminate the Kampuchean race. The Kampuchean people, the national army and guerrillas of Democratic Kampuchea have no doubt about the Vietnamese enemy aggressor's tricky maneuvers. We are determined to unite to fighting the Vietnamese enemy aggressors until they are forced to withdraw all their aggressor forces from Kampuchea.

#### Attacks Against Vietnamese Forces

BK170606 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 16 Nov 84

[Text] On the night of 12 November, our guerrillas launched a 2-pronged attack against Ta Kream township, on Phnum Sampeou-Kamping Puoy battlefield, in Battambang Province. The first prong went in along the hospital road toward the market; the second from the monastery to the commune office and

advanced toward the market. After a 30-minute battle, we completely liberated this township, killing three Vietnamese enemy soldiers and wounded five others. We destroyed a Vietnamese platoon position, 4 weapons, a commune office building, a rice stock containing 50 sacks of rice, 6 barracks, 12 trenches, a paddy collecting pad, and some military materiel. We also seized 500 rounds of AK ammunition, 70 60-mm mortar shells, 7 AK loaders, a map, 4 sacks of rice, and some military materiel. We liberated four villages: Ta Kream, Thmei, Paoy Svay and Ampor.

On the night of 12 November, our guerrillas attacked a newly established Vietnamese commune office at Kompong Reah along the Battambang-Pursat road, on east Battambang battlefield [Battambang Province]. We killed three Vietnamese enemy soldiers and wounded five others. We destroyed a B-40 rocket launcher, two AK's, five barracks, a ricemill, and some military materiel. We also seized some war materiel. We liberated two villages: Kach Rotes and Kbal Thnal.

On 11 November, the Vietnamese gathered a battalion of their soldiers from (Prei), Chrouy, and Kouk Spean in Phnum Srok District, North Sisophon battlefield [Battambang Province] in an attempt to retake villages occupied by our forces. We ambushed them at Thlok village. After a 3-hour battle, we killed 23 Vietnamese enemy soldiers on the spot including a captain, and wounded 18 others. We destroyed an 82-mm mortar, two AK's, and some materiel. We seized a 60-mm mortar, 4 AK's, 2 60-mm mortar shells, 900 rounds of AK ammunition, 12 AK loaders, 10 helmets, 8 pairs of shoes, 8 hammocks, 6 rucksacks, a map, and some military materiel. The remaining Vietnamese soldiers fled.

On 11 November, the Vietnamese enemy gathered 200 soldiers from L'ak, Stoung, and Dong villages to try to retake Kandal, Sophi, and Prasat villages from us. The Vietnamese divided their forces into two groups. The first set out from L'ak village; the second from Dong village. We ambushed them when the first group arrived at Samnang Ti Muoy village and the second at Samnang Ti Pi village. After a 3-hour battle, the Vietnamese soldiers were forced to flee in disarray. We killed 12 Vietnamese enemy soldiers on the spot and wounded 7 others, including a Vietnamese battalion commander who was seriously wounded. We destroyed an RPD gun and some military materiel. We seized 10 B-40 rockets, 5 M-79 grenades, 500 rounds of AK ammunition, a Claymore mine, 15 rucksacks, 20 helmets, 5 hammocks, 15 rice tins, and some materiel.

On 9 November, we attacked a Vietnamese platoon position at Sdei along the Sangke River, on Battambang-Sangke River battlefield [Battambang Province]. After a 20-minute battle, we completely liberated this position. We killed two Vietnamese enemy soldiers and wounded a number of others. We destroyed a B-40 rocket launcher, an RPD gun, three barracks, eight trenches, and some military materiel. We seized 300 rounds of AK ammunition, 8 B-40 rockets, 2 sacks of rice, and some war materiel.

### Attack on Railway in Kompong Chhnang

BK200511 (Clandestine) Voice of the National Army of Democratic Kampuchea in  
Cambodian 2315 GMT 19 Nov 84

[Text] On 13 November, our guerrillas destroyed the Vietnamese railroad tracks between Manok and Tbeng Khpos stations, Kompong Tralach District, Kompong Chhnang Province, at 5 places over a total length of 100 meters.

On 13 November, our guerrillas attacked a Vietnamese company position which forms the defense network of the railroad tracks between Manok and Tbeng Khpos stations. We killed six Vietnamese enemy soldiers and wounded five others. We destroyed two barracks and some military materiel.

CSO: 4212/17

THAI EFFORTS AGAINST BORDER COMMUNISTS PRAISED

Kuala Lumpur NEW STRAITS TIMES in English 26 Oct 84 p 2

[Text]

**KUALA LUMPUR, Thurs. —** Intensified Thai military operations since last September have hampered Communist networks on the Malaysian frontier and contributed to a "marked" improvement in border security, Deputy Prime Minister Datuk Musa Hitam said today.

In opening remarks to the twenty-ninth Malaysia-Thailand General Border Committee (GBC) meeting, Datuk Musa said security-linked socio-economic projects, jointly carried out, as the principal means of neutralising Red influence on border populations were also about to take off.

In particular, he said two projects — the ferry service between Takbai and Pengkalan Kubor and the construction of a lighthouse at the mouth of the Golok River — had already been finalised by both countries.

Referring to border security, Datuk Musa

said that during the period of the GBC review, between September last year to August, "there has been a noticeable increase in Thai border operations against the common enemy" resulting in an "increased military pressure on the hostile forces."

"But the loss of lives and casualties suffered by our security forces during military manoeuvres, is more than matched by the setbacks on the overall infrastructure of our common enemy," he said.

Despite a decrease in confirmed enemy losses from the previous review period, "the end result was a marked improvement in the security situation along the common border."

But Datuk Musa warned of the recurring threat of the Communist Party of Malaya and its rival offshoot, the Communist Party of Malaysia.

CSO: 4200/167

## COMMUNIST SURRENDERS REPORTED

Kuala Lumpur NEW STRAITS TIMES in English 26 Oct 84 p 2

[Text]

KUALA LUMPUR, Thurs. — Combat engagements killed four terrorists and wounded 39 at a cost of the lives of two Malaysian servicemen and 10 Thai military personnel since July last year to August this year, the General Border Committee said. A total of 48 Reds surrendered in the period.

Deputy Prime Minister Datuk Musa Hitam said that intelligence reports estimated that Communist terrorists operating in the border area number 2,051.

Datuk Musa, Malaysia's GBC chairman, said at a Press conference at the end of the committee's meeting here today that the insurgent figures, compiled from Malaysian and Thai statistics, took in the membership of two factions of the Communist Party.

Prior to December last year, the border Reds were split into the old-guard Communist Party of Malaya (CPM), and splinter groups the Marxist-Leninist CPM and the Revolutionary CPM. The last two have since merged into the Communist Party of Malaysia or CPMal.

Datuk Musa, who chairs the GBC with Thai Interior Minister Gen. Sitthi Chirarochana, said enemy surrender statistics indicated that the

Reds were in retreat and that border security has improved.

He said in the 1982-83 GBC report, 29 surrendered to security forces.

In a joint Press release, the GBC said that Thai border sweeps, under those of the Ops Taksin Series commanded by General Wanchai of the Thai Fourth Army and operations by Malaysian security forces "had brought about further improvement in the overall security situation."

Malaysian and Thai authorities had tightened border access thus curtailing arms smuggling. "Enforcement is carried out on known entry points and reflects the organisation and control of the movement of people from one country to another," he said.

Cases of smuggling fell from six, from July 1982 to Sept 1983, to two in the period under the just completed GBC review, he said.

Datuk Musa gave an assurance that the drop was the result of greater deterrence in the border area, which was "policed very well, better than before."

A Press release said that coordinated maritime patrols had cut down illegal fishing, piracy and arms smuggling.

Both these and combined military exercises were to continue, the GBC said.

Datuk Musa said that the dates for the imple-

mentation of the two border socio-economic projects already agreed to — the ferry link from the Thai town of Takbai to Pengkalan Kubur in Kelantan and the lighthouse building on the Golok River — were still pending.

He hinted that financial shortages might affect the start-ups of the projects.

The GBC, according to the Press release, also surveyed and demarcated another 56.2 km of the Malaysian-Thai boundary in the review period "under difficult terrain and threat by the enemy." This brought the total to about 442 km, 70 per cent of the total boundary length already mapped.

In his closing address to the 29th GBC meeting, a transcript of which was made available, Datuk Musa said: "The war against the hostile forces is far from over.

"We need to further exert pressure on the enemy if we are to attain our common goal of eliminating them from our soil."

Charted numbers of diehard Communist units still "lurking in our jungles seem to show that the threat is real," he said.

Both Thailand and Malaysia must "intensify the fight to annihilate known remnants" and "further step up not only military offensives but also other counter-insurgency programmes which include psychological warfare."

Reflecting "the firm belief that economic development and security are tightly linked," Datuk

Musa said that Malaysia had "embarked on a security and development programme within the Fourth Malaysia Plan."

This involved the provision of basic amenities, opening of land development schemes and construction of roads in the prone areas, he said.

### Close relations

Datuk Musa praised the close relations between Malaysia and Thailand. This had led to equal concern for mutual security and "the mutual recognition of interdependence of security and economic development between our two countries and in particular with our common border," he said.

He said the two countries also had shared concerns in regional security, in particular Malaysia's support for a resolution of the Vietnamese occupation of Kampuchea.

For the defence concerns of the Asean countries, Datuk Musa said that the ideal of the Zone of Peace, Freedom and Neutrality (ZOPFAN) would be enhanced by a declaration of a Nuclear Weapon-Free Zone in Southeast Asia.

Thai Interior Minister Gen. Sitthi Chirarochana, Datuk Musa's counterpart on the Thai half of the GBC, in his opening speech, described the "sense of renewed confidence" in relations with Malaysia.

Gen. Sitthi urged continued air and sea military exercises towards "strengthening combined task forces" for the purpose of disrupting Communist activity.

CSO: 4200/167

ISLAM TO BE COMPULSORY FOR MUSLIM STUDENTS

Kuala Lumpur NEW STRAITS TIMES in English 21 Oct 84 p 1

[Article by Fizi Ahmad]

[Text] BANGI, Sat.--Islamic religion will soon be a compulsory subject for all Muslim students at all levels of the education system, Education Minister Datuk Abdullah Ahmad Badawi said today.

The Jawi (Arabic) script and not romanised Bahasa Malaysia will be used for the subject.

"All Muslim students, therefore, will be required to learn the Jawi script as another compulsory subject," he said while launching the third Islamic education seminar here.

"The curriculum for the subject will be reviewed to ensure that Islamic education and unbringing to be practised at the schools will positively build up the character of Muslims to live in harmony in a pluralistic nation."

Allegations

Datuk Abdullah countered allegations hurled at the Government that implied that Malaysia's education system was not Islamic but, in nature, opposed to Islam.

"An education system must be able to educate and nurture our children to be useful citizens.

"An education system we have sought and aspired to master does not have religious status.

"Knowledge and wisdom do not profess to be religion. It is lifeless..."

He said the Government did not wish to impose the Islamic system over citizens of other religions.

CSO: 4200/167

## ECONOMIC OUTLOOK EXAMINED

Kuala Lumpur BUSINESS TIMES in English 18 Oct 84 p 22

[Text]

THE Malaysian economy is facing its strongest challenge. With strain in the balance of payments, how would fiscal restraint affect its growth targets and attainment of the NEP objectives? The question assumes a greater sense of urgency against a backdrop of lingering uncertainties in the world economic situation. The Malaysian Economic Convention at its seventh gathering early this year couldn't have chosen a more appropriate theme: "The Malaysian economy at the crossroads."

Judging from recent developments, one may be tempted to conclude that our economy is going through a period of consolidation. Greater control over public spending was the declared objective of the new Finance Minister. For instance, actual operating and development expenditure last year was down about three per cent from 1982, while the 1984 Budget expected total government expenditure to decline by four per cent to \$26.8 billion.

But this restraint is not

enough. It has been pointed out for instance, that expenditures incurred by the large public agencies especially the so-called "Off-Budget Agencies" (OBAs) have actually increased by 29.1 per cent to \$6.7 billion last year in spite of a 20 per cent decline in overall development expenditure.

### Profession

While it can be argued that the Budget can't go for bigger cuts since such a move at a time when the country's economic activities are just picking up, will stifle economic growth, the general consensus is that further cuts must be made progressively over a longer time frame. This is also the declared objective of the government — its programme of continuing cutbacks in expenditure has improved the country's finances. Government finances for the first quarter of this year has actually shown a decline in overall deficit to \$629 million this year, compared to the previous year's \$1.2 billion.

Yet, in spite of some success in consolidating

the country's resources, it has been widely observed that the economy may be heading for more difficult times. True, our economy grew by nearly six per cent last year, an improvement over the 5.6 per cent in the previous year, and is expected to climb by 6.7 per cent this year.

In order to achieve this high growth target, most economists argued that private sector investments must be accelerated. Privatization is one avenue, the other is heavy industrialisation.

Yet, it is the heavy industry programme — which forms part of the strategy of the Industrial Master Plan — that has provoked widespread concern — why?

Such large scale investments would further aggravate the country's balance of payments problems, goes the central argument. Since these industries have a high import content, more investment goods would be imported and also professional services, which means

the country's debt problems. Thus, "industrialisation — which way to go?" poses more questions than answers.

There is also no solid reason to pin hopes on the export sector to sustain growth. True, the export sector strengthened considerably last year both in volume (15.6 per cent) and prices (1.3 per cent) which contributed to the turnaround in the trade balance from a deficit of \$1.2 billion in 1982 to a surplus of \$1.6 billion last year. But this export-led recovery may be short-lived. This is because higher exports are led by crude petroleum, rubber and palm oil — products which are extremely vulnerable to world market forces.

### Uncertainties

While prices of rubber and palm oil have improved, industry analysts believed that in the medium and longer term, prices of primary commodities are likely to decline. This is because much of the US recovery, for instance, was derived

from the services sector and high technology industries which need few raw material inputs. Besides, no one is really sure whether the US recovery will last as long as world attention remains on the US interest rates and its budget deficits.

The prospects for the European economies are even dimmer with real growth forecast at two to three per cent and this is still fraught with uncertainties, admitted the OECD Secretariat.

Against the uncertainties surrounding the state of the US economic recovery and the unpredictability about the trends in the world economy, the prospects for Malaysia achieving its growth target of 6.7 per cent are dim.

Malaysia may have little choice but to lower its sights and settle for lower growth. This would keep its deficits at a tolerable level but this may call for an extension of the NEP to accommodate the slower growth. This, however, requires a political solution.

higher import bill and higher consultant fees and licencing charges thus more outflows of capital for payments of these foreign services.

In fact, last year, imports of investment goods (including ships, aircraft, offshore installations for the oil industry) accounted for the bulk of total imports rising by 8.1 per cent while consumption goods rose only by 1.9 per cent. If these imports necessitated borrowing, this would nullify efforts to contain

CSO: 4200/167

## AGREEMENT WITH THAILAND ON GOLOK RIVER DEVELOPMENT

Kuala Lumpur BUSINESS TIMES in English 26 Oct 84 p 24

[Article by Adlin M. Zabri]

[Text]

MALAYSIA and Thailand have agreed to develop the Golok River basin, with assistance from Australia.

A joint statement after the Ground Border Committee (GBC) meeting in Kuala Lumpur said the projects involved development of water resources and river control to benefit both countries. The cost would be borne by the three countries.

Both Deputy Prime Minister Datuk Musa Hitam and Thai Interior Minister General Sitthi Chirarojana noted that the various committees on socio-economic development under the GBC had finalised their deliberations on the ferry service and the construction of a lighthouse at the mouth of the Golok River.

The ferry would ply between the towns of Takbai in Thailand and Pengkalan Kubur in Ke-

lantan.

Datuk Musa said the socio-economic development committee would look into other projects beneficial to both countries.

In view of the financial constraint faced by both Malaysia and Thailand, no dates were fixed for the implementation of the projects.

The GBC agreed that coordinated maritime patrols be continued as these were successful in curtailing illegal fishing, piracy and arms smuggling.

Both Malaysia and Thailand were satisfied with the progress made by the land boundary demarcation and survey teams of both sides in spite of the difficult terrain and the threat posed by terrorists.

A total of 56.4 km of the boundary was surveyed and demarcated during the past year, making the total surveyed to 69.5

per cent of the entire boundary.

Opening the GCB committee meeting in the morning, Datuk Musa said Asean would study the idea of the creation of a nuclear weapon-free zone in South-East Asia, as part of the Zone of Peace, Freedom and Neutrality (Zopfan) concept.

He said the idea would further enhance the proposed implementation of Zopfan and create a region free from superpower rivalry.

Datuk Musa said the communist threat at the common border was still there although both Malaysia and Thailand had successfully carried out numerous operations.

He said there were still about 2,050 communist terrorists in the jungles of both countries. Since the last GBC meeting, 43 terrorists had been killed.

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SWIDDEN AGRICULTURE THREATENS SARAWAK FORESTS

Kuching SARAWAK TRIBUNE in English 11 Oct 84 p 1

[Text]

**KUCHING, Wed. — The government will be fighting a losing battle against shifting cultivation in the State unless major resettlement programmes are carried out for the large number of mobile rural farmers, Ministry for Forestry, Datuk Haji Noor Tahir, warned today.**

Opening the annual Forestry Department Conference here, he said majority of the rural dwellers still practise this form of agriculture.

Shifting cultivation, he said, only lower their standard of living besides causing wanton destruction of forests.

About 101,000 hectares of forests are slashed and burnt annually, he said. Of the area, 29,000 hectares are virgin forests.

He said the rate of shifting cultivation in the State tends to increase because the rural population increases at a faster rate than the urban areas due to lack of proper family planning.

"As a result, more forested areas will be used for shifting cultivation," he said.

He proposed that the shifting cultivators be resettled and be provided with financial and technical assistance to take up alternative farming methods.

A trust fund should also be set up if the financial situation permits, he said.

Datuk Haji Noor said the easy availability of cheap and high speed mechanised chain-saws has also caused more forests to be felled for shifting cultivation.

Easy access to remote areas through logging roads also enhances the mobility of shifting cultivators and make them more difficult to detect, he said.

Detection is done by only a small number of Assistant Forest Officers in the Forest Department.

He said more AFOs should be recruited to control and protect forest estates in the State.

Datuk Haji Noor also said areas affected by shifting cultivation should be rehabilitated through reafforestation programmes.

This will ensure that the fertility of the soil is restored and erosion prevented.

The Minister paid tribute to Director of Forests, Mr Joseph Yong, and the Deputy Director, Mr David Alexander Senada. Both of them will be retiring soon.

CSO: 4200/168

## INCREASED COCOA, PEPPER, TIMBER PRODUCTION IN 1985 EXPECTED

Penang THE STAR in English 20 Oct 84 p 23

[Text]

COCOA output in 1985 is expected to increase by 11 per cent to 100,000 tonnes due to better yields, the maturing of an additional 25,000 hectares and an expected 13.5 per cent increase in total cultivated area to 269,000 hectares.

Production of dry cocoa beans this year is expected to increase by about 30 per cent to 90,000 compared with 69,000 tonnes last year.

Of the total output, Sabah is expected to account for 59 per cent or 53,100 tonnes, Peninsular Malaysia 33.8 per cent or 30,420 tonnes with the remaining 7.2 per cent or 6,480 tonnes from Sarawak.

The total area under cocoa is estimated to increase by 15.6 per cent from 205,000 hectares in 1983 to 237,000 hectares in 1984 as a result of new areas being planted with cocoa and conversion of agricultural land into

cocoa holdings.

As for prices, in tandem with the rise in demand, expectations of a production shortfall of approximately 100,000 tonnes and price increases in world markets, the price of Grade A dry cocoa beans (ex-farm Sabak Bernam) at \$5,203 per tonne during the first six months of 1984 indicated an increase of 39.6 per cent over the first six months of 1983.

Exports of Malaysian dry cocoa beans in the first six months of 1984 increased by 35.6 per cent to 44,665 tonnes valued at \$234.5 million.

The major markets were Singapore which accounted for 35.3 per cent or 15,756 tonnes followed by The Netherlands (18.7 per cent or 8,368 tonnes) and West Germany (19.9 per cent or 8,878 tonnes.) — Bernama ES.

## Price Boost To Pepper Out

MORE encouraging price levels are expected to boost pepper production by another 9.5 per cent to 23,700 tonnes in 1985.

As for 1984, pepper production is expected to experience a turnaround to pick up significantly by 17 per cent to 21,650 tonnes compared with 18,500 tonnes in 1983.

This is due to the more favourable price outlook following the generally lower world supply.

Of the total production, Sarawak is expected to contribute 99.3 per cent or 21,500 tonnes, Johore 0.5 per cent or 100 tonnes and Sabah 0.2 per cent or 50 tonnes.

Total area under pepper

cultivation in 1984 is however expected to continue to decline by 2.2 per cent to 10,550 hectares following the continued conversion of pepper cultivated areas to other more remunerative crops.

The Government has established the pepper subsidy scheme to overcome problems of labour shortage, higher cost of production in terms of fertilisers and pesticide and also the threat of foot-rot disease.

Under the scheme, small-scale pepper growers are provided with inputs and cash grants.

Some 47,000 farmers have benefitted from the total allocation of \$1.62 million so far.

## Sawlog Exports To Drop Further in 1985

CONTINUED cutbacks on timber logging is expected to reduce sawlog production by 3.2 per cent to 30.5 million cubic metres next year.

On the other hand, the production of sawn timber is expected to show an increase of 2.7 per cent to 7.6 million cu metres next year following the increased output from Sabah and the continuous efforts to improve domestic efficiency.

With the further reduction in output coupled with the proposed total ban on sawlog exports from Peninsular Malaysia from Jan. 1 next year, the country's sawlog exports are expected to drop further by 2.3 per cent to 17 million cu metres next year.

However, exports of sawn timber are estimated to increase 3.1 per cent to 3.3 million cu metres following the expected pick-up in foreign demand.

This year, sawlog output is expected to reduce further by 3.5 per cent to 31.5 million cu metres in line with the Government's forest conservation policy. Of this, Sabah is expected to account for 35.2 per cent or 11 million cu metres, Sarawak 33.8 per cent (10.7 million cu metres) and Peninsular Malaysia 31 per cent (9.8 million cu metres).

On the other hand, sawn timber output is expected to

increase by 3.6 per cent to 7.4 million cu metres this year as a result of improved efficiency of the local sawmilling industry.

Of this, Peninsular Malaysia alone will account for 79 per cent or 5.8 million cu metres.

For the first six months of this year, Malaysia's total sawlog production is estimated to decline by 20.5 per cent to 13.81 million cu metres compared to the same period last year due to forest conservation policy, depressed export market and wet weather conditions.

Meanwhile, higher domestic demand by the construction industry and lower rate of sawmilling wastage have pushed up sawn timber output by an estimated 2.8 per cent to 3.82 million during the period.

This year's output of semi-finished products such as plywood and veneer are also expected to increase by 4.9 per cent and 15.6 per cent.

Exports of sawlogs for the first half of this year fell 23.7 per cent to 6.96 million cu metres.

Japan continued to be the major buyer accounting for 62 per cent or 4.31 million cu metres followed by Taiwan with 16.8 per cent (1.17 million cu metres) and South Korea 15 per cent (1.04 million cu metres). — Bernama ES.

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## OUTLOOK FOR TEA, RUBBER, PALM OIL EXPORTS EXAMINED

Penang THE STAR in English 20 Oct 84 p 23

## [Text]

MALAYSIA'S tin exports are expected to pick up by 7.2 per cent to 45,000 tonnes next year on renewed moderate upturn in consumption and accompanying decline in world stocks of the "good old metal".

However, given the high level of domestic stock holdings and the continuation of the International Tin Council (ITC) export control, tin production is anticipated to remain unchanged at 41,000 tonnes next year.

The output for this year which will also stand at 41,000 tonnes is actually one per cent lower than the previous year's figure of 41,367 tonnes.

The price of the metal is also expected to increase marginally by 0.1 per cent to \$29.20 cents per kilo.

As for 1984, it says the price of tin will remain depressed at about \$29.16 per kilo, a decline of 3.4 per cent over 1983 as a result of continued existence of world surplus stock coupled

with increased US General Services Administration (GSA) stock disposals during the rest of the year.

Exports of tin from the country are estimated to decline by 26.4 per cent to 42,000 tonnes this year as against 57,100 tonnes in 1983 due to lower level of imports of tin-in-concentrates for smelting and subsequent re-exports.

For the first six months of this year exports decreased by 44.2 per cent to 18,677 tonnes as a result continued imposition of an even more restrictive ITC export quota.

For the first three quarters of 1984, the export quota was fixed at 27,384 tonnes compared with an export of 28,374 tonnes during the same period last year.

The lower volume of exports was also contributed by the reduced volume of tin imports for smelting within the country and subsequent re-export.

From January to June

this year, tin output dropped by 4.1 per cent to 20,002 tonnes from 20,853 tonnes during the corresponding period.

The decline was due to the closure of 78 gravel pump mines in 1983 and 56 mines in the first six months of this year due to increasing production cost and poor prices.

With the lower volume of exports and the decline in the price of tin, the average export unit value of tin for the first half of this year suffered a decline of 2.3 per cent to \$29,447 per tonne compared with \$30,133 per tonne during the same period last year.

Export earnings from tin during the period also registered a decrease of 45.4 per cent to \$550 million from \$1007.4 million previously.

As at the end of June 1984, out of a total 512 mines in operation, 31 were dredging mines, 415 gravel pump mines, 46 open cast mines and 20 others.

The total number of mines in operation reflected a decrease of 9.9 per cent as against 568 mines at the end of June 1983.

Total employment in the tin mining industry also showed a parallel declining trend with 24,826 workers during this period under review, a fall of eight per cent from 26,992 workers previously.

However, the report says the level of domestic stock of both tin metal and tin-in-concentrates at the end of the sixth month this year rose by 25.3 per cent to 30,607 tonnes from 24,430 tonnes during the same period last year.

This high level of stocks reflected the weak demand for the metal in the world market.

The report also says that total domestic consumption of tin is estimated to increase significantly by 92.8 per cent to 1,500 tonnes this year with the solder and tin-plate industries being the major consumers. — Bernama ES.

## NR To Bring More Revenue

MALAYSIA'S export earnings from rubber are expected to increase further next year — thanks to the continued economic recovery in the industrialised countries.

The exports are expected to increase by 3.6 per cent to 1.65 million tonnes while the price of RSS One would increase by 2.1 per cent to an average 240 cents per kilo.

Rubber output, on the other hand, is expected to rise slightly by one per cent to 1.59 million tonnes. The country will continue to be the world's leading NR producer, accounting for 38 per cent of world output next year.

This year's rubber exports are expected to increase by 2.3 per cent to 1.60 million tonnes and output to reach 1.58 million tonnes, up 1.2 per cent.

However, the average price of RSS One showed a decline of 3.9 per cent to an average 235.61 cents per kilo during the first six months of this year compared with the like period last year due to the excess production following delayed wintering coupled with weak foreign demand.

The abundant supply of RSS One in the Singapore market as well as higher interest rates in the US, the labour dispute in West Germany and the Gulf war also contributed towards under-

mining the price.

With demand expected to remain encouraging amidst an expected fall in output as a result of delayed wintering, the price of RSS One is expected to pick up to average at 235 cents per kilo for the whole of this year.

A 14.5 per cent increase in NR exports for the first half of this year to 818,552 tonnes was due to the pick up in demand in anticipation of the wintering season as well as the improved performance of the motor vehicle industry.

Exports to Japan rose sharply by 98 per cent while that to South Korea improved 40 per cent, West Germany (up 32.5 per cent)

and Britain (up 31.8 per cent).

Total rubber exports for the first six months amounted to \$2.06 billion, up 32.6 per cent from the same period last year while export unit value rose 15.9 per cent to 252.2 cents per kilo.

Rubber production rose 10.6 per cent to 748,782 tonnes compared with the same period last year largely due to the delayed wintering.

The total area under rubber cultivation is expected to rise only by 0.1 per cent to 2.01 million hectares this year due to the continued conversion of estate rubber land into oil palm holdings. — Bernama ES.

## 'Golden Crop' To Reap Better Harvests, Lower Prices

EXPORTS of Malaysia's "golden crop", palm oil, is expected to rise by 12.9 per cent to 3.5 million tonnes next year following increasing domestic production and continued aggressive marketing strategies.

Exports will increase due to higher production anticipated with the maturing of another 50,000 hectares of oil palm next year.

Given the favourable weather conditions, total production for 1985 has been forecast to increase by 10 per cent over this year to 3.68 million tonnes in 1985.

Crude palm oil output this year will rise significantly to 3.35 million tonnes, up 11 per cent from 1983 on anticipated recovery from the overstressed effect of the African pollinating weevil and the coming into production of new areas.

Malaysia's crude palm oil production will account for five per cent of total world output this year.

Following expectations of a higher production of the commodity, output of palm kernel is also expected to rise by seven per cent to 900,000 tonnes this year.

Similarly, the production of palm kernel oil is estimated to increase to 415,000 tonnes, up 11.5 per cent over last year.

Meanwhile, with higher production anticipated, off-take by importing countries

is expected to grow by 6.5 per cent to 3.1 million tonnes this year.

In anticipation of a higher domestic output and a picking up in external demand, exports of processed palm oil for the whole of this year is expected to rise by 6.5 per cent to 3.04 million tonnes.

For 1984, Malaysia is expected to export a total of 394,250 tonnes of palm kernel oil, an increase of 6.4 per cent over last year.

For the first half of this year, exports of palm kernel oil decreased by 13.4 per cent to 152,880 tonnes from 176,599 tonnes.

Palm oil exports continued to be hampered by trade barriers and discrimination arising from the protectionist policies of major importing countries.

With the continued rise in demand, it is anticipated that the average free on board (FOB) price of crude palm oil will rise to \$1,400 per tonne this year, up 40.1 per cent from \$999 per tonne in 1983.

It however says that the commodity will fetch only \$1,000 per tonne next year, a decline of 28.6 per cent over 1984 due to the increased world production of vegetable oils and fats.

An additional 65,000 hectares of land are expected to be planted to bring the total area under the crop to 1.4 million hectares by the end of 1985. — Bernama ES.

CSO: 4200/168

## BRIEFS

GOVERNMENT TO EXPAND ISLAMIC BODY--PASIR MAS, Fri--The Government is streamlining the roles of the Malaysian Islamic Development Foundation (YPEIM) to widen its activities to include investment, business and management. The membership of the foundation, formed in 1976, has been increased and it now comprises experts in Syariah laws, accountancy, business and representatives of various Government departments. This was disclosed by Umno Youth leader Encik Anwar Ibrahim in a working paper distributed to the dakwah and politics course participants yesterday. The course was organised by the Pasir Mas Umno Youth division at the Meranti Primary School here. Encik Anwar said the Government had taken many steps towards assimilating the Islamic values in its administration. "The leaders of the present Government are firm and have the political will to assimilate Islamic values in their administration," he said. However, this could not be achieved unless community leaders, academicians, managers and the rakyat fully supported and participated with the Government. Encik Anwar, who is also Agriculture Minister, said a certain extreme group had created issues in regard to this move but its arguments were baseless as it did not provide alternatives for the Government to consider or to follow. [Text] [Kuala Lumpur NEW STRAITS TIMES in English 20 Oct 84 p 10]

CSO: 4200/167

# FEAR MOUNTS ON NEW CALEDONIA VIOLENCE

Melbourne THE AGE in English 5 Oct 84 p 7

[Article by Helen Fraser]

[Text]

NOUMEA, 4 Oct. — Fears are growing that New Caledonia's newly-created Kanak Socialist Liberation Front (FLNKS) may be steadily moving towards a violent showdown with the French Government.

Eighteen young Kanak men connected with the FLNKS are currently on a five-week trip to Libya, a country with a reputation for sponsoring terrorist and militant independence groups.

FLNKS leaders will neither confirm nor deny the possibility that the 18 are receiving specialist military or explosives training. But they do say that "this voyage could be a type of action employed to arrive at our objective, which is the conquest of power."

Secrecy surrounds the trip. French authorities believe an Independence leader, Mr Yann Uregel, collected air tickets from the Libyan Embassy in Malaysia five days before the planned departure.

Accompanied by Mr Uregel — and at an estimated cost of more than \$100,000 to the Libyan Government — the group is reported to have flown from Noumea to Singapore to Rome then to Tripoli,

changing planes along the way.

The French authorities are still studying the group, who are rank-and-file independence supporters, to find a common denominator.

The trip follows a visit to Libya in August by Mr Uregel and another Independence leader, Mr Eloi Machoro, which provoked strong warnings by the Australian Prime Minister, Mr Hawke, against the introduction of international terrorism to the South Pacific. Although the Kanak population is not large — 62,000 out of 145,000 — their strength lies in the countryside and islands where the majority lives. Most of the Europeans are concentrated in Noumea.

The FLNKS may be losing the support of some moderates, and this is strengthening the influence of the hardliners in the organisation.

Significant, too, is union involvement in the FLNKS, with their ability to disrupt, for example, airport, waterside and hospital activities.

France has an estimated 3000 military men in New Caledonia and 700 gendarmes — which include the formidable Garde Mobiles.

Two extra platoons of Garde Mobiles are reported to have arrived recently in expectation of trouble during the elections planned for December.

Mr Machoro's response to the warning by Mr Hawke is that "if Caledonia is a destabilising factor in the Pacific, it is by reaction to a lack of help obtained by the then Independence Front (which the FLNKS replaced at its formation), and the Kanak people for decolonisation."

Mr Machoro said: "The Pacific for the Kanak people is neither an Australian ocean, a French ocean, nor an American ocean ... for us all elements — whether they be

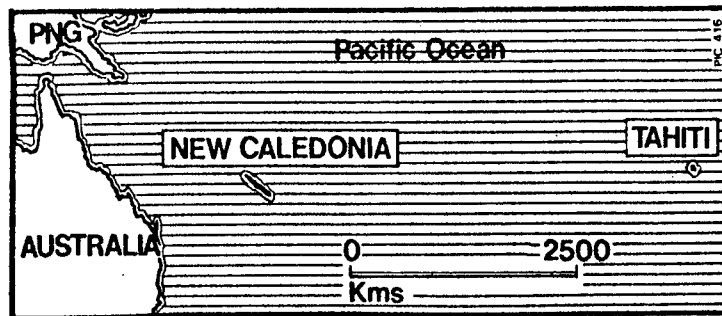
individuals, nations or Governments — exterior to the Pacific world, are destabilising elements in this ocean — whether they date from 1788, 1853 or 1984."

On indications of an increasingly militant strategy by the FLNKS, Mr Machoro said that "until now the Kanak people have asked for help in only two places — in France with political parties and Governments and with the South Pacific Forum and its various members.

For the past seven years, the question of New Caledonia's listing with the UN Decolonisation Committee has been deferred year after year by the Forum."

Mr Machoro was critical of the recent Forum meeting in Tuvalu because "while the Forum supported the French autonomy plan our Kanak deputy, Mr Roch Pidjot, had demonstrated to the National Assembly in Paris that this plan denies the rights recognised in the 1979 joint statement by the French Socialist Party and the Communist Party. That is, the right to self-determination and the right to independence of the Kanak people"

The adoption by the French Parliament of an autonomy plan to give New Caledonia limited autonomy for five years, before a



referendum on independence in 1989, and its rejection of Mr Pidjot's call for a clear timetable to independence, led Mr Pidjot to withdraw from the Socialist group in the Parliament.

Mr Pidjot also called for electoral reform as necessary for a successful independence vote because the Kanaks are a minority due to heavy colonisation and more recent immigration encouraged by French Governments.

Mr Pidjot's withdrawal marked the beginning of the rupture between the Independence movement and France, although relations have been steadily deteriorating since 1981, the festive days when the Socialists came to power.

Nearly three years later, and

after having shared power in the Government Council with the samit Cnetre Party, the majority of the independence movement feels that the institutional road to independence and the associated assurances given in private by French leaders are dead-end streets.

The creation of the FLNKS, modelled to some extent on the former Algerian and Vietnamese movements, and the adoption of a hardline strategy was first signalled ten months ago by independence leaders. They warned then that without the required electoral reform and independence timetable, the Kanak people would boycott the French autonomy plan.

CSO: 4200/171

LANGE ON BENEFITS FROM PRC ECONOMIC GROWTH

PRC Anniversary Statement

Wellington THE EVENING POST in English 1 Oct 84 p 8

[Text] New Zealand industry will continue to benefit from strong growth in the Chinese economy, the Prime Minister, Mr. Lange said today.

In a statement marking Chinese National Day--the 35th anniversary of the founding of modern China--Mr Lange said there was no doubt the Chinese interest in the Asia/Pacific region was going to strengthen in the years ahead.

"China shares New Zealand's concern for the security and prosperity of the region, and we should be encouraged by China's positive influence on regional relationships and developments," he said.

"China's own relationships in and around the Pacific--with the two super-powers, with Japan, and with Asean--are going to have a critical effect on international as well as regional security."

Diverse

Mr Lange said New Zealand industry would continue to benefit from strong growth in the Chinese economy "and also from the competition offered by an increasingly diverse range of imports available from China."

Christchurch Editorial

Christchurch THE PRESS in English 1 Oct 84 p 20

[Editorial]

[Text] Today is the fifty-fifth anniversary of the founding of the People's Republic of China. In statements to mark the event, the Prime Minister, Mr Lange, and the Mayor of Christchurch, Sir Hamish Hay, referred to the rapid growth in trade and cultural links between China and New Zealand in recent years. Both expressed confidence that this would provide a springboard for further development of relationships between the two countries.

"China shares New Zealand's concern for the security and prosperity of the region, and we should be encouraged by China's positive influence on regional relationships and developments. China's own relationships in and around the Pacific--with the two super-Powers, with Japan, and with A.S.E.A.N.--are going to have a critical effect on international as well as regional security," Mr Lange said.

"It was evident during my visit to China in February, this year, that the pace of economic development within China has accelerated considerably, largely in response to the Government's programme of modernisation. The vast potential of China's human, physical, and environmental resources that is being released in the process is opening up opportunities for strengthening China's external relationships, including that with New Zealand.

"From 1971-72, the last year before ambassadors were exchanged, New Zealand exports grew from a mere \$1.7 million to \$175 million in the year to June, 1984. That hundred-fold increase by no means exhausts the potential of the trading relationship," Mr Lagne said.

"Wool has become a major export, contributing more than half of our export earnings from China. The other major products include milk powder, wood pulp, tallow, leather, paper, and aluminium. Imports from China include textiles and foodstuffs. New Zealand industry will continue to benefit from strong growth in the Chinese economy, and also from the competition offered by an increasingly diverse range of imports available from China.

"New Zealand is capable of offering technology, capital, and expertise appropriate to China's requirements. We will benefit from the path of economic development on which the Chinese leadership has embarked. The Chinese authorities have identified education and agricultural technology as two important priorities in relations with New Zealand.

"The exchanges at present taking place that reflect these priorities include the provision of English language teacher training facilities in China, establishment of places for Chinese students at New Zealand universities, on-the-spot training for agricultural technicians, and facilities developed at a series of model farms established by New Zealand experts. The recent visit of Mr Yang Bo, the Minister of Light Industry, identified a number of further areas where economic cooperation is likely to lead to substantial mutual benefits.

"During my visit in February, I was able to convey to the Chinese leadership my commitment to a strong relationship with China that recognised China's importance as a major Power in the region.

Sir Hamish Hay referred to the special link between Christchurch and the province of Gansu that had been established formally by a "friendly relations" agreement.

"While it is too early to assess the benefits of this link, I am encouraged by the warm response to its potential in both countries and already there have been a number of important developments in the agricultural area which will be beneficial to our export trade," Sir Hamish said.

"The further expansion of exports of both primary and manufactured goods to China offers enormous opportunities to New Zealand, and there is no doubt that sister-city links such as we have now established will help to open doors and create a sympathetic climate for trade discussions.

"In other fields, such as cultural, educational, and sporting exchanges, we have only begun to scratch the surface, but I am confident that a good foundation has been laid by the recent official Christchurch goodwill visit to Gansu and that this will lead to worthwhile links. An exhibition of children's paintings by Christchurch primary and intermediate school children soon will be shown in Lanzhou, the capital city of Gansu province.

"I hope that increasing numbers of Christchurch and Canterbury people will visit China and our sister province to observe for themselves the tremendous progress which has been achieved by the People's Republic of China and also to appreciate the many historic treasures which are being so well preserved by the Government for the enjoyment of their own people and the large numbers of overseas visitors," Sir Hamish said.

CSO: 4200/153

## FINANCE MINISTER INVITES FOREIGN INVESTMENT

Wellington THE EVENING POST in English 1 Oct 84 p 8

[Text] Foreign investment in huge New Zealand projects such as forestry and energy plants would be welcomed by the Government, the Minister of Finance, Mr Douglas, said today.

In an address opening of the Asian Security Analysts Council conference in Wellington, Mr Douglas said the Government took a positive attitude to foreign investment.

### Capital

A major expansion of forestry development over the next few years would require large sums of capital investment.

The Government was still interested in proposals for gas-based energy industries that would benefit New Zealand, despite last week's decision by the Maui partners not to proceed with a gas stripping plant, and despite the Government's belief that future energy projects must stand on their own feet and not receive "excessive" state assistance.

Mr Douglas said New Zealand's trading patterns were continuing to shift away from traditional emphasis on European markets.

### Growing

"New Zealand is on the edge of the Pacific Basin with the fastest growing economies in the world. In the Asian region, exports are expected to grow by an average of 6.5 percent in 1984," Mr Douglas said.

"New Zealand's exports to the Asean group comprised 6.6 percent of total exports in the 1981/82 trade year. Exports to Japan have increased from \$25.5 million in 1963 to \$873 million in 1982.

"Following China's reordering of its economic priorities, New Zealand looks well-placed to become a major supplier of wool, tallow and forest products. The substantial upturn in the South Korean economy also bodes well for these exports," Mr Douglas said.

He said the Closer Economic Relations agreement with Australia was not intended to be a closed trading block between the two countries, but was rather a platform for them to become more outward looking and competitive.

Investors should look at New Zealand as a base for not only supplying the New Zealand market, but also the Pacific and, through CER, the Australian market, Mr Douglas said.

CSO: 4200/153

EDITORIAL LAUDS LANGE ROLE IN NEW CALEDONIA ISSUE

Auckland THE NEW ZEALAND HERALD in English 3 Oct 84 p 7

[Text] Mr Lange continues to bring a note of moderation and rationality to the movement for political independence in New Caledonia. Both in his own country and among the smaller states of the region in whose welfare New Zealand has a close fraternal interest, his efforts can only enhance his stance as a South Pacific leader.

It was on Mr Lange's initiative that the South Pacific Forum agreed in August to send a delegation on the independence issue to both the French Government and the New Caledonian Independence Front. The aim was to encourage talks between the parties, thereby hastening independence without a violent show-down in the territory.

The idea has been only partly successful. Before the Forum delegation has been formed, an extreme element within the front has left for Libya where, it is understood, it intends to form a New Caledonian government-in-exile. Back home, other factions of the front are pulling in other directions.

The pace of agitation against the French connection is obviously accelerating in New Caledonia, and New Zealand's concern for political developments there must quicken with it. Our deeper involvement in mediation of the sort that Mr Lange is well able to provide could do much to calm tempers until the forces of moderation and sanity take firm control.

CSO: 4200/153

LANGE ADDS NEW CALEDONIA, VANUATU TO ITINERARY

Changing Situation Prompts Visit

Auckland THE NEW ZEALAND HERALD in English 4 Oct 84 p 1

[Text] NZPA London--Political developments in New Caledonia have seen the Prime Minister, Mr Lange, add two days and calls at Noumea and Port Vila to his overseas tour.

Mr Lange, who leads South Pacific moves on independence for New Caledonia, has summoned an Air Force plane to Singapore to take him on a leg through the islands.

Behind the decision is the changing political situation in Noumea, where independence factions are making different moves and violence is feared in the run-up to elections.

Result of Talks

Mr Lange announced his decision to go to New Caledonia and Vanuatu on the eve of his departure from London. He said it arose from his talks in New York with the French Minister of External Relations, Mr Cheysson.

Mr Lange said he would see the French High Commissioner in New Calédonia, Mr Roynette, whom he received in Wellington soon after Labour took power.

He said he would also have discussions with some of the elected representatives in New Caledonia, including Mr Jean-Marie Tjibaou, vice-president of the Territorial Assembly, and Mr Jacques Lafleur, one of the New Caledonian MPs in the French National Assembly.

Warm Welcome

The New Zealand Herald's Pacific Affairs reporter says Mr Lange seems assured of a warm welcome from the two main political factions in New Caledonia, though there is some doubt that he will meet Mr Tjibaou.

Mr Tjibaou has gone to Sydney and it is not known when he will return.

Mr Lafleur said his party would welcome Mr Lange and hold discussions with him.

Seventeen members of the Independence Front are still in Libya after leaving for that country last week.

### Complexities Reviewed

Christchurch THE PRESS in English 4 Oct 84 p 20

[Text] When the Prime Minister, Mr Lange, steps on to New Caledonian soil, he will also be stepping into the remaining decolonisation problem in the Pacific. To a certain extent, New Zealand is already embroiled in the problem as a member of the South Pacific Forum and as a member of a group of five in the forum chosen to discuss the New Caledonian independence with the French and with the Independence Front. The front is a group that wants early independence for New Caledonia under Melanesian government. Since the August meeting of the South Pacific Forum the issue has acquired even more immediacy than before.

For one thing, the Independence Front has been re-formed into a group called the Kanak Socialist National Liberation Front, known by its initials, F.L.N.K.S., which follow the order of the words in French. All except one of the previous groups merged in the Independence Front have formed the F.L.N.K.S. The exception was a more moderate group. Like the Independence Front, the F.L.N.K.S. has decided to boycott the Territorial Assembly elections which will be held this year. The F.L.N.K.S. has gone further and has decided to set up its own Government, which will be in opposition to the Territorial Assembly. There have been reports that the new group has established links with Libya. It is not clear whether these links are the result of a considered policy by the F.L.N.K.S. or whether a small group is acting without the authority of the F.L.N.K.S. In any event, the F.L.N.K.S. plans to set up a rebel Government, and some elements in the group would like backing from Libya.

Earlier this year, France announced a plan which could lead to the independence of New Caledonia. Under the plan, a referendum is to be held in 1989 in which New Caledonians will be asked to choose among a number of constitutional options. Many Melanesian people, who form about 45 per cent of the total population, found the terms unsatisfactory. The South Pacific Forum also thought that the period was too long. The forum considered that the process of decolonisation would be advanced by a public statement from the French Government that independence was the "desirable, logical, and acknowledged outcome of the act of self-determination." In other

words, the referendum should be held earlier than 1989 and the statement would acknowledge that there was no real chance that New Caledonia would simply have the same arrangements as it does now or even closer ties to France.

Mr Lange's official explanation for his visit to Noumea is that he decided on the trip after talks with the French authorities and that they agreed with him that a short stop in Noumea would enable him to obtain further information about the territory's evolution. It seems a suitably modest aim, and properly removed from any overly ambitious idea of by-passing the South Pacific Forum. New Caledonia's problems are not capable of being assessed on a flying visit. The proper approach is to attempt to resolve the problems through the South Pacific Forum. If the forum's approach fails, an individual country might then try to influence the French and suggest ways of achieving independence without inviting political chaos.

Mr Lange will also visit Vanuatu. This visit may be important as well because, if the F.L.N.K.S. goes ahead with its plan to set up a rebel Government, Vanuatu is the one country in the South Pacific which might be host to a Government in exile. The transition of the South Pacific countries from colonial to independent rule has, with rare exceptions, been peaceful. New Caledonia has the potential for serious trouble, possibly because some people who want to inherit the power of government may not receive this power when it is passed on. The theory of gaining independence is often confused with the assumption that those who most vigorously press for the change will be those to whom power is finally given. Mr Lange, as one of those charged with urging France to make speedier and more certain changes, will have a chance on his short visit to weigh up what he is really facing in the New Caledonian argument. A contrivance to give power to a particular group is not the same as assurances of independence. Independence efforts around the world have been bedevilled by struggles to engineer change to ensure that a self-appointed group becomes master when power is handed over. This is highly likely to be the central difficulty in New Caledonia.

CONVENTIONALLY-POWERED FRENCH WARSHIP VISIT CANCELED

Auckland THE NEW ZEALAND HERALD in English 3 Oct 84 p 3

[Text] Friendly visits to New Zealand by French warships may now be in doubt because the 2250-tonne conventionally powered frigate Commandant Bory did not get diplomatic clearance to visit this country.

The frigate visited Sydney about three weeks ago and, according to the military attache at the French embassy in Canberra, Lieutenant-colonel Jean Behin, she was to have visited New Zealand on her way to Tahiti.

"She did not get diplomatic clearance in time, so the visit was cancelled," he said.

Colonel Gehin was unable to say if the lack of diplomatic clearance was due to late notification of the ship's visit, or because of any change in New Zealand Government policy.

"You will have to refer to our Wellington embassy," he said.

At Wellington, the French military attache, Captain Pierre Deloye, said he could not comment on the cancelled visit or the reasons for the cancellation.

The Deputy Secretary of Foreign Affairs, Mr Tim Francis, said he had no comment to make. "You will have to refer to the Prime Minister's statement," he said.

In London, Mr Lange said a request for a French warship visit had been considered but not pursued. He did not make it clear whether New Zealand or France failed to pursue the request.

The Commandant Bory is believed to be part of the French Pacific fleet, based on Thaiti. It is of a class of ship which does not normally carry any nuclear weaponry and was not designed for nuclear arms.

CSO: 4200/153

CHAMBER OF COMMERCE CONCERNED OVER ANZUS STAND

Wellington THE EVENING POST in England 3 Oct 84 p 17

[Text] Speaking at a chamber council meeting, Mr Allen said no business person could fail to feel some concern at the possible implications to New Zealand's trading relations with the US as a result of the nuclear issue.

"The United States is one of our major trading partners and the Anzus issue is one of great sensitivity and one which regretfully could in my view indirectly carry adverse trading repercussions for this country," Mr Allen said.

"And that would be tragic at a time when we are fighting a very stringent economic battle."

Mr Allen said he did not think politics could be isolated from any aspect of life.

"After all, politics is simply the organisation of the social structure. For that reason, we would be naive if we felt that one could entirely divorce politics from trade."

Sensitive

Mr Allen said he knew that the nuclear issue was significant and sensitive.

"But it is my responsibility to speak for the business community and to speak from a business point of view."

CSO: 4200/153

## REGIONAL PACT SUGGESTED TO REPLACE ANZUS

Wellington THE EVENING POST in English 4 Oct 84 p 6

[Article by Brian Woodley]

[Text]

A "meeting of minds" on defence issues seems to be occurring within the Government backbenches as MPs think about what could replace the Anzus treaty.

Napier's Mr Geoff Braybrooke, considered to be a supporter of strong defence ties with the Western alliance, and Mt Albert's Ms Helen Clark, whose anti-nuclear stance has pitted her against the United States influence on Anzus, both say that if the treaty cannot be re-negotiated within the terms of government policy, it could be replaced with a more regional pact.

Both suggested to the "Post" that a new treaty could be negotiated to cover New Zealand, Australia, and the South Pacific island nations.

The Government's policy on Anzus has been drawn largely from international affairs resolutions adopted by the 1983 Labour Party annual conference, where the basic requirements for negotiations were put up by former Prime Minister Sir Wallace Rowling, and carried on the conference floor.

These included provision for New Zealand's unconditional anti-nuclear stance to be drawn into the agreement, along with active promotion of a nuclear-weapons-free South Pa-

cific, equal partnership on all issues handled within Anzus and with all decisions to be unanimous, and a guarantee of the complete integrity of New Zealand's sovereignty.

This year's conference went further, and resolved in effect that New Zealand should withdraw from Anzus, but the Prime Minister, Mr Lange, made it clear that the option of re-negotiation remained government policy.

Sir Wallace has retired from Parliament, but will have an active role in what happens to Anzus, as New Zealand's ambassador to Washington.

Sir Wallace told the "Post" he would not comment on the Anzus issue until Mr Lange returned from his overseas trip, but referred us to the party's 1983 conference and 1984 manifesto.

The manifesto's re-ne-

gotiation policy is, word for word, the four-point 1983 conference resolution, which has become known as the "Rowling amendment."

With clear signs from the Americans and, to a lesser extent, the Australians, that New Zealand's policy could destroy Anzus, the "Post" canvassed Government members for ideas on what, if anything, should replace the treaty if it is scrapped.

Mr Braybrooke said New Zealand should attempt to stay in Anzus, but re-negotiate its terms to take account of the nuclear issue that has "crept in" since it was signed in 1952.

He said it was a Labour government that prepared the groundwork for New Zealand's involvement in the treaty, at a time when there was concern about a re-emergence of "Japanese imperialism." At that time,

the nuclear threat as it exists today was unknown.

Anzus was a woolly, vague agreement that provided for consultation in the event of a military threat, but little else, Mr Braybrooke said.

Over the years, however, National governments had used Anzus as "a Maginot Line" to hide behind while they allowed New Zealand's defence forces to be neglected. The Maginot Line was a series of forts intended to protect France's eastern borders, which turned out to be useless when Hitler invaded France in 1940.

Mr Braybrooke said the National Party had a "reassuring belief that, like the cavalry, the Americans will come rushing to our rescue" in the event of a military threat.

He said if the US rejected New Zealand's case for a re-negotiation, Anzus

would probably die, but he believed the Americans would not go that far, but instead accept that there was room for anti-nuclear provisions in the alliance, as with Denmark and Norway in the Nato alliance.

## Agreement

Mr Braybrooke described himself as unashamedly pro-American and pro-West. He loathed and despised communism as an "alien and atheist form of philosophy," but believed that world peace could only finally be achieved by agreement between the superpowers.

While he believed that the Soviet Union should "take its jackboot from the ancient democracies of Europe," he also believed the US should not be in El Salvador.

Mr Braybrooke was disturbed at the "vicious anti-United States" stance adopted by Labour conferences, but was 100 per cent behind Mr Lange's anti-nuclear initiatives.

If the US withdrew from Anzus, New Zealand should attempt to forge a new defence pact with Australia and the South Pacific nations. This could be made much stronger than Anzus, with a guarantee of mutual aid in the event of aggression. Such a treaty could also cover non-military issues, such as trade, Mr Braybrooke said.

Ms Clark, chairman of a

select committee on disarmament, said she did not believe Anzus was dead yet. Experience with treaties of this type was that instead of ceasing to be, they changed or evolved into something else.

Over the years, conventional understanding had placed Anzus in a kind of front line for Western defence.

But the treaty was something less than that, and the Government was trying to peel back that conventional understanding, she said. The likelihood of an attack on New Zealand was now even more remote than at the time the vaguely worded treaty was signed.

If Anzus did die, "I think there's going to be a place for a close defence relationship with Australia, whatever happens," Ms Clark said.

Looking ahead 20 years, she said there could be a trend for world regions to look more to their own backyards. New Zealand could attempt to achieve such a pact through the South Pacific forum of nations, bearing in mind that "the Pacific way" was not generally as formal as that.

In this context, she viewed such a future pact as, like Anzus, talking about consultation in the event of an attack or a threatened attack.

LANGE IN LONDON, REAFFIRMS ANTINUCLEAR COMMITMENT

Dispels 'Misconceptions'

Brisbane THE COURIER MAIL in English 29 Sep 84 p 7

[Text] LONDON (AAP)--New Zealand's decision to ban nuclear armed and powered warships was not "a flight of radical fancy", the New Zealand Prime Minister, Mr Lange, said yesterday.

"There will be no nuclear weapons in New Zealand as long as I am Prime Minister and that is from the heart," Mr Lange told a Foreign Press Association lunch in London.

Mr Lange said the government was prepared to weather any amount of criticism on the issue. He used the occasion to dispel speculation that he was "a captive of the Left and planning to loosen the bonds."

Another misconception, he said, was there were similarities between Australia and New Zealand's position in regard to allowing nuclear weapons in.

"The Hawke Government does not share the view of the Left...and allows nuclear armed and powered vessels to visit.

"That is Australia--New Zealand is different."

He said the New Zealand Government knew when it assumed office that its policy would prompt a critical response. "It is ready to meet that criticism in a reasoned manner."

Mr Lange said he was not going to persuade the New Zealand Labor Party to change its mind on the issue "because they and I are of the same mind".

Another major misconception, he said, was that the New Zealand policy was "some sort of political whimsy", of "the left let loose on middle New Zealand".

Mr Lange said he wanted to strongly dispute any suggestions there was an element of capriciousness in the New Zealand Government's approach.

"This is not a fight of radical fancy. We know we are taking a step that is serious. We know we face opposition."

In Wellington, the Opposition foreign affairs and trade spokesman, Mr Warren Cooper, said a breach of the ANZUS agreement would be New Zealand's most disastrous foreign policy change in memory.

### Lange, Thatcher Hit It Off

Auckland THE NEW ZEALAND HERALD in English 2 Oct 84: p 7

[Article by Tony Verdon]

[Text] The Prime Minister, Mr Lange, got on well with his British counterpart, Mrs Thatcher, yesterday, in spite of a stark conflict of views on nuclear weapon issues and their general political philosophies.

Mr Lange spent about an hour speaking privately with Mrs Thatcher at her country residence, the Chequers, just north of London.

Though not overtly criticising New Zealand's ban on the visit by nuclear vessels, Mrs Thatcher firmly stated her Government's commitment to Nato and to the nuclear deterrent strategy.

### US Policy

Mrs Thatcher appeared well informed on New Zealand's position on the issue, said Mr Lange.

The Royal Navy has the same policy as the United States of neither confirming nor denying whether its vessels are nuclear capable, but there has been no straight-out criticism of New Zealand's stand.

"She chose rather to examine our situation, to explain hers and her situation as quite emphatic--the British Prime Minister and the British Government elect specifically as a matter of strategy to be part of the United States Western alliance nuclear deterrent," said Mr Lange.

### The Cavalry

"They have made that very conscious decision. It is not a decision by accident or by some sort of hazard evolution. It is a calculated reckoning," he said.

"Now having done that, as she says perfectly reasonably, if you elect to be defended by the cavalry, you should be prepared to have the horses at home."

But Mr Lange said this was not a message in identical terms for New Zealand.

"She declared, I understood what she was saying, she knew the position was embracing, neither of us wanted that to be something which divides us," said Mr Lange.

New Zealanders were in danger of escalating the nuclear ship issue beyond the level which other countries were interested in.

## Other Issues

He said Mrs Thatcher, like over overseas leaders, was not concerned by the New Zealand position.

Mr Lange said that because there was some stability in the arrangements for New Zealand access to the European market, he had been able to discuss issues of even more international importance than the usual question of butter and sheepmeat access to the Community.

## Appointed to Privy Council

Auckland THE NEW ZEALAND HERALD in English 1 Oct 84 p 3

[Text] NZPA, London. The Queen has appointed the Prime Minister, Mr Lange, to the Privy Council, the body which advises her.

There are several hundred privy councillors.

The appointment is for life and enables Mr Lange to use the title the Right Honourable before his name.

Prime Ministers are usually appointed to the Privy Council, as well as long-serving deputies and sometimes other senior cabinet ministers.

CSO: 4200/153

DEFENSE CUT SAVINGS SAID 'UNLIKELY'

Christchurch THE PRESS in English 1 Oct 84 p 4

[Text] PA Wellington--Any tax saving from cutting defence expenditure would be illusory, said Mr J. A. Elder (Lab., West Auckland) in Parliament.

Mr Elder, in his maiden speech, said that people who believed large savings could be made in defence spending needed to consider who would foot the bill for many of the civilian tasks the Armed Forces performed.

"Some of these are highly visible, such as fisheries protection, air-sea rescues, land-based search and rescue, foreign aid work, particularly in the field of disaster relief, and, of course, civil defence," he said.

"Some of the less visible functions performed by our defence forces include the training of skills in avionics, engineering, communications, transport, and catering.

"All of these skills are valuable in the long run to the New Zealand economy, not least because the career structure of the Armed Forces often means early retirement and consequent return to skills to civilian life," said Mr Elder.

"Certainly there is a need for constant debate about the most effective use of defence dollars. However, leaving aside the question of expenditure relevant to Singapore, I believe that any huge tax savings being made by cutting defence expenditure are illusory."

Mr Elder said the point of difference between the major parties in Parliament appeared to be whether the A.N.Z.U.S. agreement could or should continue without visits by nuclear ships.

"This is only a superficial difference, however. The real philosophical difference is on the question of nuclear deterrence.

"The National Party accepts the validity of nuclear deterrence. We on this side of the House do not.

"We may take some comfort from the fact that both the great nuclear Powers have relatively stable political systems, but the idea that a nuclear war

might be precipitated by instability in the Middle East or southern Africa is disconcerting to say the least," said Mr Elder.

"For those who have studied history, there is a rather disturbing similarity between the present alliance structure and attitudes and those of the European States before World War I.

"We must never again allow any Power to believe that it has a blank cheque with which it can deal in international relations--and that includes all the great Powers."

CSO: 4200/153

## EDITORIAL HITS LANGE ON LACK OF DEFENSE POLICY

Christchurch THE PRESS in English 1 Oct 84 p 20

[Editorial: "N.Z. Without Defence Policy"]

[Text]

The Prime Minister, Mr Lange, must acknowledge that his Government no longer has any formal, workable defence arrangement with any friendly country. He can continue to work militarily with allies only by compromising his stand against nuclear weapons. No-one, least of all the New Zealand Government, seems to know what New Zealand's defence policy now is, or even if it has a clear policy at all.

The Government's ban on visits to New Zealand by nuclear-powered ships, and by ships that may be armed with nuclear weapons, is directed against the British and American navies, and it spells the end of the A.N.Z.U.S. treaty. Mr Lange's sincerity in assuring Americans that New Zealand remains friendly to the United States need not be questioned. In spite of this assurance, the treaty, as a framework for military preparedness, is finished for the time being. For reasons that have most to do with American worries over a trend-setting gesture by New Zealand against association with nuclear weaponry, and with Australia's concern about its own Labour Party's opinion on nuclear ships and weapons, some patching up of the three-way relationship may be possible. Certainly, it will be encouraged. At present, it is difficult to see how New Zealand can enter into negotiations for a new arrangement that entails mutual contributions to any defence plan.

Logic forbids this, and Mr Lange has doubtless been told so. New Zealand cannot conscientiously and logically declare itself against visits by American warships and distance itself from the nuclear Powers and then engage in naval and other exercises or training, or in intelligence-sharing with the United States. In practice it may do so; but

logic flies out the window. Mr Lange knew this before he went to the United States to confirm the view, strongly held by New Zealanders, that they want no part of a nuclear war. No-one wants any part of a nuclear war. His problem is that, for practical purposes, the military association is indivisible. For political purposes, and casting aside logic, the A.N.Z.U.S. partners may be able to work out a compromise that looks like a defence agreement. In practice, it would probably be no more than a treaty expressing friendship with some limited military elements.

The United States will probably go to great lengths to avoid strictures against New Zealand on trade or financial matters. To do otherwise would cast the United States in the role of being the bully of a small country; and this would patently be a counter-productive role in American dealings with other countries in defence matters. Such a role would inflate anti-American feelings in New Zealand and in Australia, certainly to the embarrassment of the Hawke Government in Australia. The United States will want to avoid creating problems for its only other supporter in A.N.Z.U.S. Even the nuclear-free zone ideal in the South Pacific, as it is now formulated, does not inhibit the United States in its nuclear defence strategies. The American problem in the New Zealand declaration is essentially one of a precedent. Creating this problem is, of course, the intention of the anti-nuclear movement in New Zealand and elsewhere. It is a lever to obtain the generally desired rejection of nuclear arms.

By taking this line in his general, and strongly — supported aversion to nuclear war, Mr Lange still leaves the broader defence question unresolved. If the Australian

Government is going to maintain its military relationship with the United States, it can depend on bi-lateral arrangements. In doing so, Australia must wonder how far it can go in making defence arrangements with New Zealand and to what extent these will work without American naval participation. In such doubts lies the greatest puzzle surrounding Mr Lange's tactics in executing his anti-nuclear policy. This policy has been long in the making; yet no serious thought has been given to the alternatives. Neither in meeting Mr Hawke recently, nor in his visit to the United States, has Mr Lange been willing to spell out what he sees as the alternative to A.N.Z.U.S. He has implied that he wants a continuing military relationship with Australia, the United States, and Britain. Either he does not know what this should be or he really believes that there should be none. In effect, the play has been left with the other partners while New Zealand sits pat.

Perhaps Mr Lange supposes that, having made the grand gesture, one that can get genuine, heartfelt applause from many quarters, he can gamble that New Zealand will not need friends who can act militarily. One must earnestly hope that this will be so — in short, hope that the world will be without war and, particularly, without a war that touches this part of the world. Through its ship-ban policy, New Zealand has said: "Do not call on us; and we trust that we shall never call you."

This is precarious policy and, in a world that shows no signs of being free from wars, could be an irresponsible and reckless policy. New Zealand will have to live with it, at least for a while. The assumption is that New Zealand is safer outside A.N.Z.U.S. than inside the agreement; the fact is that New Zealand is not necessarily more secure outside an alliance. The Government hopes otherwise: it hopes that others will follow the anti-nuclear policy and presumably Australia would be first among them because Mr Hawke will come under pressure from his party.

The absence of any New Zealand proposals for new arrangements with its allies means that A.N.Z.U.S. is almost dead and New Zealand is content to leave it this way. A testing question remains. If the Government allows New Zealand forces to continue in exercises with its A.N.Z.U.S. partners, will the rest of the world regard the grand gesture as a sham? Any military exercise with the United States would appear to be a denial of what Mr Lange has been preaching: an offshore connection with nuclear forces appears to dispel the air of determination with which Mr Lange has given his anti-nuclear message. In this state of muddlement, the Government actually has no clear defence policy and seems to be hoping that other countries, for their own reasons, will work one out for New Zealand.

CSO: 4200/153

## MP CALLS FOR 'DRASTIC, REALISTIC' DEFENSE REVIEW

Auckland THE NEW ZEALAND HERALD in English 4 Oct 84 p 1

[Article by Stephen Davis]

[Text]

The major defence plan published last December could be scrapped in favour of a new "drastic and realistic" review of New Zealand's armed forces.

The chairman of the parliamentary defence select committee, Mr Geoff Braybrooke (Govt—Napier), said last night that he wanted a complete review of policies in a new defence white paper.

The 1983 review, which made wide-ranging recommendations on the future of the armed forces, was "a wander down memory lane" and should be scrapped, he said.

In a blistering attack on defence spending policies inherited from the previous government, Mr Braybrooke called for major changes to the Army, Navy and Air Force.

The Army, he said, should be leaner and better-equipped. There were too many chiefs and not enough Indians — with a ratio of one officer to seven other ranks — and too many staff

officers and command headquarters.

**Vague**

Mr Braybrooke said the Army needed "fewer senior officers sitting around wondering when their pension is coming up and their next promotion."

He called for the Army to get anti-aircraft defences. It had nothing to defend itself in the field.

There had been "vague mentions" of anti-aircraft defence in the review, he said, but the Army "doesn't even have a book on it."

The Navy should forget about a submarine fleet, he said [Defence planners are investigating the possibility of a New Zealand submarine fleet for the 1990s].

**Admirer**

Submarines were nothing more than expensive coffins, he said. The Navy had an important role in the defence of New Zealand, but it should be done by surface ships.

Mr Braybrooke favoured armed coastguard-type vessels which could be used in a multitude of roles. He is

an admirer of the United States Coast Guard, which he saw in action during the Vietnam War.

Changes are also needed in the role of the Air Force, Mr Braybrooke believes. New Zealand could not afford the luxury of an air force trying to do a series of different roles because the cost of aircraft was astronomical.

Mr Braybrooke said he wanted to talk to the Air Force about its requirements.

He said he personally wanted a "drastic, realistic" review of all defence policies in a new defence white paper.

It was better to have a little that was very good than a whole lot that was no good, he said.

"We just seemed to plan for patched-up junk from Australia.

Mr Braybrooke also conveyed his disquiet to Parliament last night. He said his Government would take whatever action necessary to defend the independence and territorial integrity of New Zealand.

He said during the address-in-reply debate that the Government did not, at the moment, consider there was any obvious military threat to New Zealand.

"Nevertheless, Labour recognises the need to maintain an effective nucleus of defence forces which can be expanded should the situation change."

The armed forces deserved another thorough and constructive review so that people prepared to make a career in the armed forces would know what the future held, he told Parliament.

**Missiles**

The long-awaited defence review, published last December, promised new equipment to turn the Army into a well-equipped and mobile force with a troubleshooter battalion kept at readiness for emergency use within the South Pacific.

The Army would get low-level air defence capability among other new equipment, but it ruled out a more complete air defence system with more sophisticated missiles.

## LANGE FURTHER DEFINES ANTINUCLEAR STAND, AUSTRALIA TIES

Sydney THE AUSTRALIAN in English 1 Oct 84 p 3

[Article by Janine Perrett]

[Text]

THERE is a strong possibility New Zealand will renegotiate the ANZUS treaty before July next year, the New Zealand Prime Minister, Mr Lange, said in London at the weekend.

And in a hard-hitting speech to foreign journalists, Mr Lange strongly reiterated his stance on the banning of nuclear ships with a warning to New Zealand's allies.

"If you want to come to our house, you will have to wipe your boots," he said.

Asked about the possibility of a renegotiation of the ANZUS alliance, Mr Lange said the prospects of renegotiation were pretty high.

Mr Lange said the US Ambassador to Wellington had offered such a renegotiation last week in San Francisco.

He said the Americans were due to submit a schedule of proposed naval port visits to New Zealand by the end of this year and it remained to be seen whether this would prove unacceptable.

But, he stressed, the matter must be resolved by the July ANZUS talks.

Later, in a private briefing with Australian journalists, he said if Australia were to negotiate its own treaty with the US, that would be a withdrawal from ANZUS by Australia.

New Zealand did not intend to withdraw from ANZUS, he said.

Mr Lange said the relationship between Australia and New Zealand was very important and if the ANZUS alliance broke down, New Zealand would be involved in negotiating with Australia for protection and mutual interest.

"We would also negotiate with the US for protection and our mutual interest and you would end up with exactly the same thing as ANZUS," he said. "That is why it (ANZUS) is not going to go bang."

### Participation

New Zealand would continue to take part in nuclear exercises despite its strong anti-nuclear stance, he said.

"We are not anti-alliance, we are not anti-allies, we are not anti-US or anti-Britain. We are anti-nuclear."

Mr Lange stressed that in barring nuclear weapons from New Zealand he was not a captive of the Left of the Labour Party nor was he planning to loosen his bonds.

"In case you ever have any doubt, there will be no nuclear weapons in New Zealand as long as I am Prime Minister and that is from the heart," he said.

"I am not going to persuade

the Labor Party to change its mind about nuclear weapons because they and I are of the same mind."

Parallels between the Labour governments of New Zealand and Australia were also discounted by Mr Lange.

The Hawke government does not share the view of the Left among the Labour Caucus and allows nuclear-armed and powered vessels to visit Australia, he said. "That is Australia. New Zealand is different."

The reason for the difference in policy between the two governments was in the Australian psyche which had the feeling of a middle power role, he said.

The strong European migration to Australia was also a factor in the less emphatic anti-nuclear policy.

Mr Lange also made a strong plea for the New Zealand All Blacks rugby tour to South Africa not to proceed because of the Government's strong commitment to cut sporting links with South Africa.

Mr Lange said if the tour went ahead it would only be a result of the intense love of the game which was unique to New Zealand and perhaps white South Africans.

Mr Lange has been appointed to the Privy Council, the body which advises the Queen.

PACIFIC TRADE UNION FORUM SALUTES ANTINUCLEAR BAN

Knox Hits ANZUS, Australian Pressure

Sydney THE SYDNEY MORNING HERALD in English 8 Oct 84 p 13

[Text]

NADI, Fiji, Tuesday: The president of the New Zealand Federation of Labour, Mr Jim Knox, called today for the scrapping of the ANZUS alliance and attacked Australia for joining United States pressure over the nuclear warships issue.

Mr Knox's fierce defence of the refusal by the recently-elected New Zealand Prime Minister, Mr David Lange, to allow US nuclear vessels into NZ ports highlighted the opening session of the Pacific Trade Union Forum in Nadi.

The forum was formed in 1981 with the primary objective of establishing a nuclear-free Pacific. The present three-day conference is attended by 80 delegates from 12 nations.

Mr Knox said New Zealand's union movement and people strongly supported Mr Lange's stand, which US officials had said threatened the future of the Australia-New Zealand-US alliance.

"New Zealand does not want the United States or the ANZUS pact either — we want to see that pact destroyed," he said.

"We don't want to be involved in wars and we don't want to be a target for other nations who may be involved in wars and turn New Zealand into a holocaust."

Mr Knox called on Pacific unions to resist trade threats allegedly levelled against New Zealand by the US.

He also condemned other governments which "lined up with the US" on the issue, a clear reference to Australia.

One country, which had been "very close" to NZ for many years, had shown that "under pressure from this powerful nation, the United States, they want to bring pressure on to New Zealand".

Mr Knox did not name Australia in his speech, but in a pre-conference interview he accused the Australian Prime Minister, Mr Hawke, of applying pressure.

He called on delegates to put pressure on their own governments into declaring nuclear-free zones rather than putting pressure on NZ.

## Resolution Passes

Wellington THE EVENING POST in English 5 Oct 84 p 5

[Text]

NADI (Fiji), Oct 4 (PA). — Pacific region trade unions today congratulated the New Zealand Government for banning nuclear warships, saying the decision would have a significant impact towards the declaration of a nuclear-free Pacific.

The motion of support proposed by NZ Federation of Labour president Jim Knox was carried unanimously by the Pacific Trade Union Forum (PTUF) at the final session of its three-day conference in Nadi.

Australian delegates said the resolution would give heart to the anti-nuclear movement, although ACTU president Cliff Dolan said Australian Labour Party conference decisions on US bases would preclude the Australian Government from following the NZ example.

The resolution hailed the NZ stance, adding: "Conference advises all Pacific governments that

where possible the trade unions of the Pacific will resist economic and other sanctions being applied to try to overturn those decisions."

He warned delegates today: "If you don't vote for this motion, then you're not showing your true beliefs against nuclear warfare that could destroy your children, your children's children, and mankind."

NZ delegate Jackson Smith, of the Wellington Drivers Union, said the nuclear ban had brought great pressure on the NZ Government, which had already encountered problems raising loans from traditional sources.

"The decision is in our opinion probably the most momentous decision by any government in New Zealand's history in recent times — probably even

more important than the decision of the first Labour Government to involve New Zealand in World War II," he said.

It ranked with Belau's constitutional nuclear ban and the bans placed by the Vanuatu and Victorian State Governments as a significant move towards a nuclear-free Pacific.

Delegates from the small island nations praised the courage and determination of the Lange Government in standing up to the US, while Louis Kotra Uregel of the indigenous Kanak union movement in New Caledonia said the welcome decision had shocked and surprised him.

The other key resolution adopted today condemned the "neo-colonialist policies of the French Government" in New Caledonia.

CSO: 4200/164

BORDER PACT SIGNED WITH INDONESIA

Kuala Lumpur BUSINESS TIMES in English 22 Oct 84 p 3

[Text]

JAKARTA, Oct. 21  
A NEW five-year border agreement signed yesterday by Indonesia and Papua New Guinea should improve cooperation on the joint border, officials of both countries said here.

The revised "basic agreement on border arrangements", replacing one signed in 1979, was initialled by Papua New Guinea Ambassador Brian Amini and the secretary general of Indonesia's Foreign Affairs Department, Mr Sudarmono.

Neither side would disclose details until the agreement is signed by their respective foreign ministers, scheduled to take place in Port Moresby on Oct. 29.

Mr Amini called the new accord an improvement. Mr Sudarmono said: "It has been prepared with five years' experience behind us."

Relations were recently strained by Port Moresby's allegations that Indonesian jets and troops from neighbour-

ing Irian Jaya province illegally crossed the border into Papua New Guinea. Indonesia denied the charges.

Further strains arose over the exodus of almost 10,000 Irianese into Papua New Guinea after clashes between separatist guerrillas of the Free Papua Movement (OPM) and Indonesian troops. Jakarta and Port Moresby this month finalised plans to repatriate the refugees.

Mr Sudarmono said the new agreement committed both countries to cooperating on border security, but left specific arrangements to be worked out by the joint border committee.

This included whether each side should be notified of military border exercises.

Diplomats said Jakarta had rejected Port Moresby's claim that this was required by the previous agreement, which said both sides must be told of developments affecting border security. — Reuter

CSO: 4200/169

THAILAND

POLICE OFFICIAL ON SINGAPORE INVOLVMENT IN ORE TRAFFICKING

Bangkok CHAT ATHIPATAI in Thai 14 Oct 84 pp 10-14

[Interview with Police Colonel Krit Suphakitcharak, the superintendent of the Satun Police Precinct; date and place not specified]

[Text] Satun Province is a small province in southern Thailand. However, because it is a border province, and, therefore, an important land and sea route to Malaysia and Singapore, it is a very important path for ore smuggling. Thus, Satun is a key to huge profits just like important ports in the south. It was just 1 year ago that the dispute over operations of high-ranking officials in Satun Province to suppress the smuggling of ore abroad had important effects and resulted in a provincial police precinct superintendent being transferred out of the province. When Police Lt Chan Manutham took a group of reporters to observe matters in the southern border provinces, CHAT ATHIPATAI had an opportunity to interview Pol Col Krit Suphakitcharak, the capable superintendent of Satun Province. The Ministry of Interior has great confidence in him and so it sent him here to solve the problems in Satun.

[Question] Would you discuss the problem of ore being smuggled abroad, which is a major problem in Satun Province?

[Answer] Concerning this matter, you must first understand that Satun Province does not produce any ore itself. The major sources of ore are Phuket, Phangnga and Krabi provinces. As for the problem of ore being smuggled out of the country, most of it comes from these three provinces. More than 90 percent of the ore that is smuggled abroad is smuggled out by sea from these three provinces. The ships with the smuggled ore pass through the Strait of Malacca on their way to Singapore. When they pass Satun Province, they are about 70 to 120 miles offshore.

The last time that we arrested smugglers and interrogated them, we learned that when these ships leave these three provinces, the large ships will go wait on the open sea. Small boats are used to bring the ore out to

them. The large ships then proceed through the Strait of Malacca to Singapore. Thus, when the ships pass Satun Province, they are far offshore and so it is beyond the capabilities of our boats to take action against them.

More than 90 percent of the ore is smuggled out in this way. The rest is smuggled out here and there along both the eastern and western coasts. In particular, from Satun Province northward, the coastline of the Andaman Sea runs for more than 100 km past places in various districts from which ore is smuggled out. Ore is smuggled out all along the coast from Krabi to Trang, which are on the Andaman Sea. After Phangnga and Krabi, you come to Satun. Ore can be smuggled out from any of these coastal areas.

But actually, the ore that is smuggled out is ore that is mined at sea in Phangnga or Krabi provinces. This is salt-water or sea ore. Once the ore has been extracted, it is kept hidden in the sea. They don't bring it on shore. They keep it hidden at sea. Then, they send small boats to transport it to the ships, which transport the ore abroad.

[Question] When you said that they keep it at sea, does that mean that they keep it in the holds of ships or what?

[Text] No. They keep it submerged in the sea. But when they ship it abroad, they have to pass Satun Province. Satun is the last province that the ore smugglers have to pass. But their ships stay far away from the coast. They don't want to risk coming too close to shore. The ore is worth 40-50 million baht.

As for the ore that is mined from the sea, if this was ore that was mined legally, the Provincial Administration Organization and the State Sea Mining Enterprise Organization would purchase the ore. They are the government's representatives in purchasing ore. After they purchase ore, they send it to the Thai Sako Company. This is the proper route for ore. But because ore quotas are very limited, we produce a surplus of ore. And so people smuggle this surplus ore out of the country. Producers can't bear the investment costs and so they smuggle ore out and sell it in Singapore.

In the past, they sold the smuggled ore in Penang in Malaysia and in Singapore. But recently, Malaysia has not purchased ore from us at the request of our government. This is because we are both members of the World Tin Association. But Singapore is not a member and they don't care about us. Singapore is the only country without rubber plantations that sets rubber prices. It doesn't have any mines but it still sets ore prices. It just lives by charging a commission.

We have checked with foreign affairs officials and with the ore producers and learned that ore prices here and in Singapore are about the same. There is very little difference. The reason why merchants smuggle ore

and sell it abroad is that they don't have to pay the fee to the government. We are losing this money. From the standpoint of those in the private sector, they are gaining. But we are losing.

[Question] But suppose that the quota is set at that amount and that we don't export the surplus, we still wouldn't earn the fee.

[Answer] No, we wouldn't. But the government can't purchase all the surplus ore since that would cost too much. And if it were stored, this would require revolving capital and interest would have to be paid daily. I can sympathize with people about this. On this, I am taking a neutral position.

Now, concerning the matter of preventing ore from being smuggled abroad, the unit that the government has established to prevent this is the Center for the Control of Ore Smuggling Operations. In carrying on operations, Mr Anan Anantakun, the deputy undersecretary of interior, is the head of the center. It is composed of three forces that work to prevent ore from being smuggled abroad by land or sea. As for sea operations, the main forces are the Customs [Department], the marine police and the navy. The naval forces involved are those stationed at the Thap Lamu naval base in Phangnga Province. They are responsible for all deep-sea areas. The marine police are responsible for the coastal areas. Somewhat farther out is the area of responsibility of the Customs Department. They divide the areas themselves.

As for land operations, the Center for the Control of Ore Smuggling Operations has about 200 men working in teams in Ranong, Phangnga, Phuket, Krabi, Trang and Satun provinces. These teams intercept ore along the roads in these provinces in order to prevent ore from being smuggled out.

However, the merchants have come up with various methods to smuggle out the ore. The last shipment that we intercepted, the truckbed had been divided into levels, and the ore had been loaded onto the truck. The truckbed of the 10-wheeled truck had been divided into two levels and 80-90 hap [1 hap equals 60 kg] of ore had been placed in the lower level. On top, they had loaded large, heavy goods. If we had not been informed by an agent, it would have been very difficult to discover the ore. Loads are taken like this to places along the coast in Satun, Trang, Krabi, Phangnga and Phuket provinces.

[Question] How much are 80-90 hap worth?

[Answer] One hap is about 60 kg. A hap is worth about 6,000 to 7,000 baht.

[Question] Can you estimate how much ore is smuggled out of the country every year?

[Answer] This is something that should be done. I have recommended that this be done. This shouldn't be difficult. We can just obtain the figures from Singapore. Shipping ore to Singapore like this is definitely against the law. At present, I am personally trying to obtain data on this since I, too, would like to know how much of our ore is being smuggled abroad. I think tht large quantities are involved. Because each shipment that we seize is very large. For example, the latest shipment that we seized weighed 44 tons. Sometimes, we seize up to 60 tons.

As for seizures in Satun, it is very difficult to intercept shipments at sea. The ships stay too far offshore for our small boats. If they go too far out, they run out of fuel. We can't carry that much gasoline. And our small boats can't withstand the wind and waves, particularly during the monsoon season. The wind is too strong and the waves are too high. But their ships are very sturdy. They are capable of sailing to India and Bangladesh. And their ships are equipped with much better radar than our boats. The range of their radar is about 100 miles as compared to only 12 miles for ours. And their communications equipment is much better than ours. When we go out and make an arrest, they quickly radio to inform all the others. They tell all the fishing boats they meet that there are "sharks" in the area. They all know what that means. They tell those carrying "sand" to be careful. After that, everybody is on his own. They tell the others that we are in the area. We hear this all the time. They tell the others that we are nearby. Those who are carrying "sand" are then on their own.

Here, we seize very little on land. They don't risk coming into Satun by land since it is so far. They would have to pass through several other provinces first. We have only made one arrest on land. We seized approximately 90 sacks. We were informed by an agent. When we inspect vehicles, we rarely unload the cargo or dismantle the truckbed. We do this only when we have received definite information. For example, the time that we made an arrest, we had received word that this vehicle was carrying ore and so we went to the trouble of unloading the cargo and removing the floor plate. We found a second compartment below.

Very little ore is smuggled out like this since it requires carrying other goods that can be taken out legally.

Talking about smuggling goods out through Satun, something that is smuggled out in large quantities is para rubber. And this does not happen just in Satun. From Phuket all the way to Songkhla, there are large ports from which rubber is shipped. Satun is just a small port. But it is nearby and so shipping costs are low.

In 1982, we collected 10 million baht in export fees for para rubber alone. But this year, we implemented a new measure. We ckeck all steps taken by officials. When goods are brought in, we check the amounts. We monitor things until the goods are exported. As a result of this,

this year, even though the export tax has been reduced by more than 50 percent, we have still managed to collect 20 million baht, that is, collections are 4 times higher than before.

The para rubber that is shipped to Satun is sent here freely since rubber is not a contraband item. As for the method used to export the rubber, the owner first goes to see the district agricultural officer in order to pay the rubber tax, which is put into the Rubber Welfare Fund. The district agricultural officer checks the amount being brought into the province. The owner stores it in a godown. Then, an export request is sent to the customs official. The customs official checks the amount in order to collect the export fee. Normally, the customs laws state that goods must be shipped from a customs port. But our customs port cannot handle that large a ship. The customs checkpoint official has the authority to stipulate any place he wants. That is up to him. They load the cargo at sea with the customs official monitoring things. After people have been questioned and the tax has been collected, they check once more. The final checkpoint is at Yao Island near the sea boundary. The owners have to make one final report there.

During this period, from the sea boundary on, the ships are monitored by customs officials. The police cannot interfere. That is something that must be understood. But in coordinating things, we do cooperate at one level.

The same thing is true for ore. When we intercept a vehicle carrying smuggled ore, it is concealed using other goods, with the ore concealed beneath the vehicle. But the quantities are much smaller than those smuggled out by sea. We have seized shipments of ore weighing 50-60 tons, which is a huge amount. The last time, we seized 44 tons. We all shared in a reward of 4 million baht. If we could seize large quantities, we would all be rich. But it is very difficult to seize ore. Those who are engaged in this are not poor. They have billions of baht to purchase ships.

[Question] Is ore trafficking an organized activity?

[Answer] All the ore merchants are located in three provinces, with those in Phuket and Phangnga having the greatest influence. They are all involved with each other. Bids are submitted in order to serve as the ore purchasing representative of the State Sea Mining Enterprise Organization and the Phangnga Provincial Administrative Organization. They ask for bids in order to select an ore purchasing agent. Taking a close look at things, it can be seen that because of the difference in purchase and sales prices, they lose money when they sell ore to Thai Sako. But they still manage to survive and prosper.

[Question] How many of these groups are there?

[Answer] You can't refer to them as groups. If ore is exported and all the ore merchants are included, there probably aren't that many. You have to study matters in Phukhet and Phangnga since that is where most of the merchants live.

[Question] It is said that the reason why these merchants can ship out large quantities of ore is because they have the cooperation of officials. What is your opinion about this?

[Answer] As far as Satun is concerned, I can say quite frankly that if we had ore in Satun, things would be all right. But we don't have ore. It is all beyond our reach. Look, at sea, the navy is responsible. And navy is very efficient, but the smugglers still manage to get through. I don't know how they manage to get past the naval ships. But there are thousands of fishing boats. We can't tell which ones are carrying ore. We make arrests because agents have given us information. It's simply impossible to inspect all the boats.

[Question] Is it possible that government officials act as secret agents for the merchants, which enables them to find out what action we intend to take?

[Answer] It is very easy to find out what officials are doing. It isn't necessary to enquire. When we send out a boat, they know it is one of our boats. We once tricked them. We sent a boat in one direction and then we sent out another one in the middle of the night to avoid their radar. We have done all kinds of things.

There are many officials here. But fewer than 70 of the 200 policemen here work with the Center for the Control of Ore Smuggling Operations. There is also an army company. There are also Department of Mineral Resources officials, who, according to the law, have primary responsibility. And there are customs officials, who carry out things in accord with the customs law. These two units are the primary units. The police are secondary. The main duty of the police is to arrest bandits and maintain order.

All these units have officials who are equipped with weapons, boats and cars. We can't take over things unless they ask us to do so. When the Department of Mineral Resources and the Customs Department can't handle things, we mobilize police officials and soldiers to provide help. Thus, the police and the army company with small arms patrol the land. The Customs Department handles things at sea. They have armed boats. And there are navy boats but the smugglers still manage to smuggle out ore. However, it is much more risky to smuggle it out by land than it is to smuggle it out by sea since there are so many checkpoints. If they paid bribes at all the checkpoints, they would lose money. But at sea, if they pay just one bribe, they are "home free."

[Question] There is so much smuggling because other countries cooperate with the Thai ore merchants. Isn't that right?

[Answer] They provide capital, too. They don't just cooperate. If Singapore couldn't get ore from Thailand and Burma, it would collapse. Where could it get ore? Singapore doesn't have even one mine. It doesn't have any ore at all. Thus, Singapore has to provide capital to help pay the transportation costs.

[Question] Why doesn't Singapore purchase ore from us legally?

[Answer] I have already told you that Singapore is a city that lives on commissions. It doesn't produce anything of its own. They will do anything that helps to reduce costs. And they are not bound by the conditions set by the World Tin Association. The Tin Association does not purchase ore from them. They sell to Russia. Thus, we can't take any action against them. And it is Singapore that stipulates almost all the trade roles in this region regardless of whether it is a crop, para rubber or something else. This is because, in trade matters, they have great bargaining power on world markets. They control the foreign markets. We can't penetrate these markets. We have to go through Singapore, which serves as the middleman. They are very clever middlemen. Even goods coming to Thailand from Europe and Japan have to pass through Singapore. Japan has to humor Singapore.

[Question] Why doesn't the government hold discussions with the government of Singapore on this matter?

[Answer] We have. But nothing was accomplished.

[Question] You said that the figures on how much ore is smuggled out can be obtained from Singapore. How can that be done?

[Answer] I think that our consul, commercial attache or customs representative there could obtain the figures. It would not be difficult to obtain such secrets if we all cooperate. Because the smelting plants in Singapore all operate legally. They purchase the ore legally. They don't have to keep the figures a secret. Because as far as they are concerned, everything is legal. We should obtain these figures so that we know how much ore is being smuggled out of the country. But the purpose of obtaining these figures is not to help stop the smuggling. The problem must be solved at the level of those engaged in this business or the people who make their living as miners. Will they be able to survive if the ore that they produce piles up in the country and is not sold? The government must take responsibility for solving this problem.

[Question] Does that mean that we should seek a higher export quota?

[Answer] The higher the quota, the happier the producers will be since large quantities of ore are mined. As for markets, because we are so tied to world market conditions, there are many problems.

[Question] Actually, we know what the problems are. Why can't we take steps to solve the problems?

[Answer] There is a national-level committee headed by Deputy Prime Minister Prachuap [Suntharangkun] that is working on solving this problem. I don't want to discuss that. Let's just talk about local affairs and what things should be like. He once came to a conference here in order to obtain data and ideas on how to suppress this and on how to help the people involved. Many people have suffered because of this problem. The ore mines, both on land and at sea, are experiencing great hardships. They have been able to survive because of the ore smuggling. I am not taking anyone's side. If they sold all the ore to Thai Sako, they would go bankrupt.

[Question] As a person who is engaged in carrying out things, do you think that the time has come for us to withdraw from the Tin Association so that we can engage in trade freely?

[Answer] I don't want to discuss that since that would be meddling in the affairs of higher echelons. They are the ones who set policy. They may be able to see farther than us. But based on what can be seen today, I think that as far as our withdrawing from that association, we are not the only tin producer in the world. Therefore, we have to find a way to obtain support from the ore markets. The various countries all produce different amounts of ore. For example, the United States produces huge amounts. If they flooded the markets, we would be in serious trouble. Thus, in setting export quotas for each country, you have to take production capacity into account in order to create a balance. I think that we would find ourselves in a difficult position if there were free trade and no restrictions.

But Singapore isn't worried about this. Singapore is a small country. If it doesn't sell something today, that's all right since it doesn't produce the goods itself. Goods just pass through Singapore. But we have to mine the ore and produce the goods ourselves.

You have to feel sorry for the government, which has been assailed by those involved in mining. They have demanded that the government do something to have the quotas raised so that they can at least break even.

[Question] In your view, what can be done to solve this problem?

[Answer] From what angle should we view this? If we look at it from the standpoint of using legal measures only, I must speak like a policeman. That is, we need stronger suppression measures. Or the government could lower the fees and export tax so that prices are balanced. Once prices are in balance, no one will be interested in smuggling ore since there will be very little difference in prices. Another thing is that we must try to have the quota increased so that the producers can at least break even. The government must take a real interest in and study the tin market situation.

Take the ore dredgers used today, for example. We know that they are violating the law. But they are allowed to operate illegally, and ore is purchased from them. It is impossible to keep these illegal activities from expanding. It's like the problem of the small buses, which we have to accept. Thus, from the standpoint of the law, at present there is an equal split. We allow some illegal operations to proceed openly. That is, you can do this, but you have to sell to me. As this expands, everyone has to expand their operations and take the risk. There are wealthy people. And there are many who have gone bankrupt. Things have become very complex. There is no order. We try to use the laws to arrest people. But the government allows people to violate the law and so such things expand. It is not focusing on the real problem. This is not what needs to be corrected. Our task is to solve the problems at the end. Thus, the people who are really in a position to solve the problems are the policymakers, not us.

[Question] In the past, Satun had problems coordinating activities. It reached the point where the police superintendent had to be transferred. What is the situation like now?

[Answer] In the past, that was true. That was well known. But now that is no longer the case. Now, there is good cooperation at several levels. Actually, my police officials have almost no responsibility at all for sea areas since we don't have boats. We don't even have a rowboat. There are marine police boats, but they are subordinate to the center. They are not subordinate to either the command line or the operations sector. The customs officials are subordinate to the center and not the province. We do coordinate activities, but we do not have the authority to formulate plans or assign tasks to boats. We can't do that. They are responsible for that.

Thus, there are boats, but they belong to the customs officials and to the marine police. When people were killed at Tarutao, my provincial police had to spend 3,000-4,000 baht to hire a boat to take them to the scene of the incident. That is what things are like.

11943

CSO: 4207/36

## THAILAND

### FARMERS' COSTS IN NORTHEAST PRODUCTION REPORTED

Bangkok LAK THAI in Thai 18 Oct 84 pp 45, 46

[Article by Khaen Sarika: "Farmers In the Northeast: A Life of Pain and Repetition"]

[Text] An important problem in the agricultural sector is the poverty of the farmers, who account for 80 percent of the population of the country. Researchers know that the use of modern technology in the agricultural sector can help reduce the poverty and backwardness of the farmers. And so why haven't there been any changes in the fields?

I agree with one researcher who said that while we would like to provide the farmers with new technology, they are still poor and could not afford it. Some of the production factors that have been accepted have put the farmers deep in debt. This poverty stems mainly from two problems: production costs are increasing continually and prices for products are declining.

I would like to discuss production costs first. In the past, villagers thought that if they just had seed, manpower and some land, they could grow various crops. But today, they also need fertilizer, insecticides and agricultural equipment.

A corn farmer from Ban Taket who has a small noodle stand along the Warin Chamrap-Kantharalak Highway told me about all the costs involved in growing corn. He said that he owns 10 rai of land and that he has to rent another 20 rai at a rate of 500 baht per rai. He rents a tractor to plow the ground twice, which costs him a total of 500 baht per rai. As for corn seed, he stores seed from the last year and so there aren't any problems. As for manpower, there are only three people in his family and that isn't enough to do all the work in time. Thus, he has to hire two-three people to do the weeding twice, to sow the corn seed, to apply fertilizer and to gather the ears of corn, transport them from the fields and store them in the storehouse at his house.

The cost of hiring people, whom he has to pay 30 baht a day, averages approximately 150 baht per person per rai. Thus, the cost of hiring six people, which includes his family, totals approximately 900 baht

per rai, or 2,700 baht for 30 rai [sic]. Several farmers with whom I talked told me that the cost of hiring workers was their greatest expense.

The cost of fertilizer averages about 200 baht per rai. Insecticide costs about 10 baht per rai. Thus, it can be seen that production costs per rai average approximately 2,200 baht per rai or 6,600 baht per 30 rai [sic]. He said that costs have increased more than 10-fold since he first began growing corn.

Even though cassava is easy to grow and is easier to care for than corn, the villagers at Ban Hong Saeng said that it costs them at least 2,000 baht per rai to grow cassava. The cost may be even higher if more than 30 rai are planted since they have to hire people to do the weeding and dig up the roots. They also have to hire tractors to plow the ground before the first planting.

Jute farmers at Ban Sieu said that the cost of growing jute averages at least 600 baht per rai. But this figure is so low because the jute is planted using old-fashioned methods. No fertilizer is applied as is done in other villages. Besides occasionally weeding the area, they sometimes have to hire helpers. As for peanuts, one man from Ban Sam Khamen said that last year, he invested 9,500 baht to grow 20 rai of peanuts. He had to apply fertilizer, use insecticides and hire helpers. Production costs are much higher than in the past.

I would now like to discuss each of the production factors once again before turning to the lives of the farmers. The first thing that needs to be discussed is the matter of "land." Nine years ago, World Bank officials gathered data on agriculture in Thailand and found that Thailand could not expand the area under cultivation. The survey team found that there were only about 10 million rai of fallow land left that could be used for cultivation.

But in recent years, Thailand's agricultural sector has expanded, not in terms of increased yields but in terms of the area under cultivation. What this means is that people have invaded and destroyed national forest preserves. But even though the amount of land, which is a basic production factor, has increased, yields have not increased. Yields have even declined.

A study by an agricultural specialist from Kasetsart University found that in 1976, Thailand's economic crops, that is rice, corn, sugarcane and cassava, absorbed 1.17 million tons of nutrients from the soil. But that same year, nationwide, the farmers applied less than 300,000 tons of fertilizer to the soil. The reason why they applied so little fertilizer was that fertilizer was expensive. Sometimes, they were sold fake fertilizer. The farmers have nicknamed the Marketing Organization for Agriculture, which sells fertilizer to the farmers, the "Organization to Swindle Farmers."

As for insecticide, studies done by agricultural researchers found that on the 50 million rai of land used to grow rice, insecticides are used on only 6 percent of the land. The reason why so little is used is the same as for fertilizer. For example, the farmers at Ban Taket fought the grasshoppers that were eating the corn by hunting them at night. They then sold them at the market for 10-20 baht per kg. The farmers here have almost completely eliminated the grasshoppers and so the price of grasshoppers at the market has risen to 25 baht per kg.

Farmers lack agricultural machinery, which includes tractors, or "steel buffalo" or "i taen", water pumps and sprayers. If they want to obtain such equipment they have to borrow large sums of money. Sources of loans for farmers include official agencies such as the commercial banks and the Bank for Agriculture and Agricultural Cooperatives and unofficial sources such as merchants, owners of rice mills and neighbors.

What happens is that the farmers have to bear the burden of paying interest at very high rates. The farmers say that they don't make any money from selling their produce since they have to give it all to the Bank for Agriculture and Agricultural Cooperatives. Otherwise, they won't be able to obtain money for the next year.

Just as the farmer said, it's strange that while Thai farmers have begun using machinery, fertilizer, insecticides and herbicides, yields per rai have declined as compared with when they did not have modern production factors.

The reason for this is not hard to find. The farmers have been making a great effort to obtain "technology" while "soil quality has been deteriorating" and "laborers in the family have been abandoning the localities." But unlike here, to prevent yields from declining even more, other countries (that is, the industrialized countries) use technology, including new production factors and new agricultural methods, in crop cultivation and so yields per rai are very high.

Just look at what the farmers believe about crop cultivation. Recently, officials recommended that the area planted in cassava be reduced, with the government paying 500 baht per rai in compensation, so that other crops could be planted, for which higher prices could be obtained. But most of the farmers whom I met were unwilling to do this since they felt that the compensation was too little. They didn't see anything wrong with just leaving the land fallow. "That doesn't cost us anything." They didn't see any problems.

From this example, it can be concluded that while the farmers' "capital in materials" has increased, their "capital in ideas" has not developed at all. And because of this, yields have declined steadily.

It's not strange that backward farmers speak and think like this. But if people who have studied the new agricultural methods think like the farmers, there is certainly no reason to discuss using modern technology to develop agriculture. That would be a waste of effort and would just annoy the farmers.

THAILAND

RTA-PIYANAT LAWSUIT CONTROVERSY EXAMINED

Bangkok MATICHON SUT SAPDA in Thai 21 Oct 84 pp 8-10

[Article: "RTA Sues Piyanat: Is the Feud Being Waged to Gain Prestige or to Save Face?"]

[Text] The "observations" by Mr Piyanat Watcharaphon, the deputy speaker of the House of Representatives and an MP from Sisaket Province, about the illness [of Gen Prem] and the reports issued by the Army Operations Center have had at least three political repercussions:

1. On 3 October, the Army Program Production Center aired a program on an army radio station. The program made two points:

1.1. It discussed why Gen Prem Tinsulanon had had to go to the Phra Mongkut Klao Hospital for treatment and why this had had to be announced in the name of the Army Operations Center. This attested to the Army's sincerity toward Gen Prem Tinsulanon and toward the Thai people.

1.2. It made the criticism that some "politicians" have magnified this matter with bad intentions toward the army. This was a direct criticism of and attack on the "observations" of Mr Piyanat Watcharaphon even though his name was not mentioned.

2. Mr Piyanat Watcharaphon felt that this program was an unfair attack on him and so he notified the police in order to file suit in accord with the justice movement.

3. A news report stated that a "high-level news source in the army" stated that the army will have its legal officers in every army area file suit against Mr Piyanat Watcharaphon.

While no legal officer has yet filed a suit against Mr Piyanat, this story has made the headlines of almost every newspaper. THAI RAT (page one, 15 October) and NAEON (inside page, 15 October) published articles in which "high-level news sources in the army" made similar statements. Thus, these were certainly not stories that had been released as a threat, as frequently happens.

I. The reports that the "military" will sue Mr Piyanat Watcharaphon began to appear at the end of last week. Reporters from various newspapers sent enquiries about this to the Dusit Metropolitan Police Station.

In response to enquiries made by DAILY MIRROR, officials at the Dusit Metropolitan Police Station said that they could not respond on television. They asked reporters to come to the police station to ask their questions (DAILY MIRROR, page 1, 15 October).

At the same time, Police Lt Col Suphamongkon Poriyanon, the chief inspector at the Dusit Metropolitan Police Station, refused to confirm or deny things. When reporters asked to see the daily log, police officials claimed that the chief inspector had taken the daily log. Some reports have said that Police Lt Col Suphamongkon Poriyanon has told reporters that no information can be given out (BAN MUANG, page 1, 15 October).

On Saturday, 13 October, when reporters questioned Gen Athit Kamlangek, the RTA CINC, at the Bangkok Palace Hotel, he just said that "I know nothing about this" (KHAO SOT, page 1, 15 October) and that "I don't want to say anything about this" (BAN MUANG, page 1, 15 October).

On the afternoon of the same day at his Sisao Thewet home, Lt Gen Chawalit Yongchaiyut, the deputy chief of staff of the army, said that "I don't know anything about this. If you want details about this, you should ask Maj Gen Naritdon Detchapradit. He may know something about this" (KHAO SOT, page 1, 15 October).

However, the statements by Lt Gen Chawalit do provide a clue about this matter. That is, the matter is probably the responsibility of Maj Gen Naritdon Detchapradit rather than some other officer.

II. However, THAI RAT (page 1, 15 October) and NAEO NA (inside page, 15 October) published similar reports on this, particularly the reports citing "high-level sources in the army."

THAI RAT's headline was "Army to Sue Piyanat." The subheadline stated "Will Take Quick Legal Measures In Retaliation/A Nationwide Feud."

The headline in NAEO NA was "Army Sues Piyanat/All Courts In the Country/ Definitely No Compromise."

From the reports based on information provided by "high-level news sources in the army," matters can be summarized as follows:

1. The army has ordered legal officers in all places to file suit against Mr Piyanat everywhere in the country where there are military units and legal officers.

2. The suit is not limited just to the latest "observations" about the illness and hospitalization of Gen Prem Tinsulanon. They also cover "every case in which Mr Piyanat has criticized the army, including his remarks during the debate at Thammasat University and during interviews.

3. This action is being taken against Mr Piyanat for the following reasons:

3.1. During the debate and in his interviews, Mr Piyanat harshly criticized the army.

3.2. The "high-level news source in the army" stressed that "he doesn't want to compromise. We, too, have honor and don't want to compromise either. He will tire of this." He also said that "how can it be said that we are trying to persecute him when he won't stop? He filed a suit against us even though he is the one who is in the wrong. He has criticized us and so we have filed suit against him. It's good that legal action is being taken."

III. From this, it can be seen that the legal action taken by Mr Piyanat and the "military" did not come about because of the illness of Gen Prem. Rather, it is much more likely that this is the result of a serious conflict that arose in July.

What must be understood is that the "observations" made by Mr Piyanat concerning the illness of Gen Prem and the reports issued by the Army Operations Center originated from:

1. Concern about the health of Gen Prem Tinsulanon.
2. Concern about the political position of Gen Prem as the prime minister and administrative leader.

At the same time, the expressions of the army under the leadership of Gen Athit Kamlangek to the illness of Gen Prem originated from:

1. Concern about the health of Gen Prem.
2. Concern about the military and political position of Gen Prem as the former RTA CINC and present minister of defense and prime minister, who is the army's "deity."

Actually, there is nothing wrong with the position taken by either side. Both sides started from the same point, which attests to their deep concern about the country and the people.

The problem has arisen because of (1) the ways that they expressed themselves and (2) past differences that have led to a distrust of each other and to the use of strong "rhetoric."

An alarming matter that should definitely not be overlooked is that:

1. Mr Piyanat Watcharaphon is not just an elected MP from Sisaket Province. He was also elected by his fellow MPs to serve as the "deputy speaker of the House," which is an important position in the legislature.

2. Concerning the fact that the army has ordered its legal officers to file suit against Mr Piyanat for defaming and criticizing the army, even though Gen Athit Kamlangek has said that he "knows nothing about this and doesn't want to say anything," if things proceed as the "high-level news source in the army" told THAI RAT and NAEON, this will not be a "personal" matter as people think. It is quite possible that this could lead to the following:

2.1. The army, which is an institution, is engaged in a dispute with Mr Piyanat Watcharaphon, a politician.

2.2. Mr Piyanat, a politician, is engaged in a dispute with the army's radio programming section.

2.3. Taking all things into account, it is difficult to deny that this is a clash between the military and the legislature (because of Mr Piyanat's position as the deputy speaker of the House).

IV. The Thai Nation Party has taken a very clear position in the case of Mr Piyanat participating in the debate at Thammasat University and making statements about the Village Scouts and criticizing the role played by certain "soldiers" and in the latest case concerning his "observations" on the illness [of Gen Prem] and the reports issued by the army. That is, the party feels that these are personal matters involving Mr Piyanat that do not concern the Thai Nation Party in any way.

Mr Pichai Rattakun, the deputy prime minister and the leader of the Democrat Party, has tried to view both sides in the dispute in a good light. He hopes that the army and Mr Piyanat will be able to reach a compromise.

"I don't want things to grow worse. Both sides must compromise for the good of the country," said Mr Pichai Rattakun. "They should start talking to each other. I beg both sides to make compromises and reconcile their differences."

Even though the tone used by the Thai Nation Party--regardless of whether it is the secretary-general, Mr Banhan Silapa-at, or the whip, Mr Bunua Prasetsuwan--and Mr Pichai Rattakun was somewhat different, both want the two sides to "compromise" rather than engage in a fight.

Actually, the reports based on information obtained from the "high-level news source in the army" show the desire to reach a compromise. That is, the reason that the army has had to order its legal officers to

file suit against Mr Piyanat is that Mr Piyanat took such action against the army, or the army's programming center, first. Based on this, if Mr Piyanat is willing to compromise and talk about matters, the situation might improve.

An important point is that the military took action while Mr Piyanat was traveling abroad on business of parliament. If the army proceeds with its lawsuit and continues to have its radio station broadcast programs attacking Mr Piyanat, the hope of Mr Phichai Rattakun, who has made a plea, will not be realized. Because there will be the feeling that "while we have stopped, you have not."

V. M.R.W. Khukrit Pramot, a political sage, has often said and written that "when there is a tall structure, it is only natural that a dog will urinate on it."

This statement by M.R.W. Khukrit Pramot should be remembered by those who play politics and those who hold high positions. This is true for both individuals and institutions. Because if they don't understand the social and political situation, they will be just the same as "squeamish" people who are afraid of everything.

Concerning this dispute between Mr Piyanat and the army, actually, it should not be too difficult for the two sides to reach a compromise. Because each side has acted out of concern for Gen Prem Tinsulanon, the country and the people.

The thing that is dangerous and that should be given special consideration is that people have just aired their opinions and voiced criticisms. If someone tries to magnify this and turn it into a dispute between the military and the legislature and/or uses the military to attack a single politician such as Mr Piyanat, that is not something to be proud of even if the tactic succeeds. If a "big tree" becomes frightened because a "crow" sits atop it and leaves a few "droppings," that "big Tree" will still be a "big tree."

If the two sides fail to reach a compromise after people such as the deputy prime minister and the leaders of a major political party have pleaded with them to do so, the political effect will be very great and the ideological differences will grow even more pronounced. In the end, this will undermine the position of one of the sides.

As far as Mr Piyanat is concerned, the danger isn't too great. But as for the army, if people do things in the name of the army and rush to play the game, there is a great danger that the losses will far outweigh the gains.

11943

CSO: 4207/38

THAILAND

VOFA SAYS SRV INSINCERE ON KAMPUCHEAN SETTLEMENT

BK221140 Bangkok Voice of Free Asia in Cambodian 1300 GMT 20 Nov 84

["Article": "A Honey Tongue, a Heart of Gail"]

[Text] Dear listeners, there is a Thai saying that can be used to explain clearly Vietnam's deed: A honey tongue, a heart of gall. This means that when it talks, it makes people believe it is sincere; but deep in its heart, it wants to hurt or to destroy. As evidence, last Friday Hoang Bich Son, Vietnam's permanent representative to the United Nations, addressed the UN General Assembly session that was debating the question of peace, stability, and cooperation in Southeast Asia. In substance, he proposed holding negotiations with the ASEAN countries on the peaceful settlement of the Kampuchean issue. The Vietnamese envoy said that both sides should meet and exchange views with each other so that each side can get a better understanding and find adequate means to settle all the questions properly. At the same time, Hoang Bich Son referred to the situation in the past, noting that over the past 40 years negotiations have succeeded in ending as many as three previous disputes. Therefore, these proposed negotiations should be able to resolve the current Kampuchean problem as well. Moreover, the Vietnamese representative also talked about the Vietnamese troops occupying Kampuchea for the past nearly 6 years, saying that there will be annual partial withdrawals of Vietnamese troops from Kampuchea.

A few hours after the Vietnamese representative had talked about peace, some five regiments of Vietnamese troops in Kampuchea from the 75th division, backed up by heavy weapons such as 105-mm and 130-mm artillery pieces, launched a major attack on the camp of Khmer refugees at Nong Chan, southwest [as heard] of Battambang Province. This Nong Chan Camp is inhabited by some 20,000 Kampuchean refugees. The present military operations launched by Vietnam, after a close look, does not differ from Vietnamese activities during the dry seasons of the previous years. This is because Vietnam wants to wipe out and crush all Khmer people who refuse to recognize its rule in Kampuchea. As in the previous years, Vietnamese operations in the Kampuchean border region adjacent to Thailand invariably entail intentional encroachments of Thai sovereignty causing loss of life to Thai citizens and agents and damage to Thai property.

For instance, last October Vietnam used artillery pieces and mortars to shell Thai territory on a total of five occasions. Moreover, it sent troops to sneak into Thai territory where they planted mines and traps. This operation by Vietnam resulted in the deaths of two Thai inhabitants, the destruction of a house, and the injury of a number of cattle. Later on, at the beginning of November, a company of Vietnamese troops crossed the border and attacked a position of Thai Border Patrol Police in Sangkha District, Surin Province. This Vietnamese violation caused 6 dead among Thai border Patrol Police and soldiers and 32 wounded.

Evidence of what has happened clearly shows that while Vietnam is using sweet words to coax the world community into believing that it is sincere and wants to settle the Kampuchean problem peacefully, in reality it intends to do away completely with all the Khmer nationalist groups opposed to Vietnam's expansionism. Moreover, Vietnam has acted in a way that clearly shows its hostile intention toward Thailand.

Thailand has constantly sought for Vietnam to negotiate with Samdech Norodom Sihanouk's Coalition Government of Democratic Kampuchea, its counterpart in the dispute, in order to bring an end once and for all to the already protracted Kampuchean question.

CSO: 4212/17

## MILITARY AFFAIRS AND PUBLIC SECURITY

### SUBWARD DISTINGUISHED FOR MASS MOVEMENT SUCCESS AGAINST CRIME

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 23 Aug 84 p 2

[Article by Huynh Binh: "The Strength of the Masses; Resolutely Defeating the Enemy's War of Destruction on Many Fronts"]

[Text] In recent years, intense work has been done to preserve security in Subward 1 of the 5th Precinct, and firm progress has been made. With a location complicated politically, legally, economically, and socially, Subward 1, 5th Precinct, has moved forward to win distinction for "resolve to preserve the security of the Fatherland" many years in a row. That general achievement was made with the participation of a mass movement that grows stronger every day.

From Seeing to Daily Life...

Subward 1 has 3 large central markets, administers the city market, and has 29 enterprise agencies, 19 large warehouses, a bus station serving routes to the western provinces, and a number of stations for Lambrettas [scooters], busses, and pushcarts. Here, before Liberation Day, the Americans and puppets dispatched informants and agent provocateurs and have fostered bands and gangs of professional hoodlums to oppress the revolutionary movement. Many political and criminal operatives from other places hid out here after Liberation Day. Taking advantage of this complicated situation, the bands of professional hoodlums and other bad elements cause disturbances and destruction. Clearly understanding its own local characteristics, Subward 1 knew early that it had to rely completely on the people and mobilized the masses to provide security on the basic level. Cadres, party members, and subward public security personnel went out into neighborhoods and out to each family and each person, assiduously helping the families. In recent years, by stepping up production, the subward brought stability to the lives of nearly 1,000 people. Among them were many youngsters who, due to conditions of history and malicious plots of the enemy, were previously involved in wrongdoing, but now have reformed and undergone progressive reeducation. In its daily work, Subward 1 attaches importance to disposing conditions for Cadres and party members to keep in close touch with neighborhood cells and to have a close relationship with the people. This enables the subward to understand the living conditions of the working people and what the income is of each family and each person making a living, to provide timely help to those needing help,

and to prevent extreme hardship from driving anyone to crime. The effort to see to the daily life of the people, hand in hand with persistently performing political and ideological indoctrination and building the new life, awakened many people and isolated reactionaries and bad elements. The people informed revolutionary authorities of reactionary elements concealing the past, evading reeducation, and continuing to commit covert crimes, exposing them and proposing strict punishments for the gangs. One time, evil ones exploiting the superstitions of a number of people in order to surreptitiously print and distribute pictures aimed at stirring up the cowardly and inciting people to flee to foreign countries, were discovered by the people on time and exposed. Many times, the people exposed bad elements who came to the markets and covertly spread the rumor that the state was about to change the currency, abolish it, raise prices, etc., in order to cause confusion and distrust and politically and economically destabilize life and thereby create opportunities for speculation and hoarding, for, "Muddly water fattens the crane." Comrades in the economy police unit of the 5th Precinct Public Security Office state that in 1983 the people helped them and with them apprehended criminals in the act in over 50 cases and brought to trial a number of persons for spreading rumors, raising prices, and practicing speculation. They confiscated many goods, valued at tens of millions of dong.

...To the Strength of the Movement

Seeing through the enemy's plot to wage destructive war on many fronts, the people are all the more vigilant and remind each other to regularly carry out population control and family management. By performing such efforts well, the subward recently was timely in uncovering a number of bad elements from another place who were covertly spreading psychological warfare propaganda and spreading rumors. Among them, Tran Thanh L., impersonating a recuperating patient, came to reside at a hotel and secretly distributed psychological warfare documents. It can be said that there is presently no family violating regulations related to security work, especially those regarding registration of temporary residence and temporary absences. Thanks to the strength of the mass movement, market management and anti-smuggling activities have also had results. During the final days of July and beginning of August, many representatives of other provinces and cities visited Subward 1 to exchange experiences.

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CSO: 4209/31

## MILITARY AFFAIRS AND PUBLIC SECURITY

### ECONOMY POLICE UNCOVERS COVERT GOLD MERCHANT

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 23 Aug 84 p 2

[Article by H.B. and Nguyen Nam: "From a Source of the Masses"]

[Text] In early May, the economy police unit of the 5th Precinct received the information: "The manager of Gilding Shop Nr 4, An Dong Market, is covertly merchandizing gold and precious stones and has contacts among families with relatives in foreign countries in order to make unauthorized bank transactions...."

Cadres and troops of the unit immediately put the market under surveillance, relying on the people to verify the tip. An Dong Market used to have 170 gilding shops, but now there are only 11 officially registered ones. Shop Nr 4 is under the name of Mrs Lam Xuan Lan. Mrs Lan leased the shop to Mr and Mrs Tran Minh Quang over half a year ago. The economy police patrol of the 5th Precinct had met Tran Minh Quang before, so he was no stranger. Quang's true name was Ching Wing Khang, arrested in the act of illegally selling gold and precious stones in 1982. Coming home after a period in a correction facility, he had disappeared for a period of time, then had leased the gilding shop. From his experience of getting arrested, he had learned how to deal with security forces, so he had rather carefully set up a warning net leading into his shop from out on the street.

A heavy rain persisted from morning to noon without let-up. Some people were shopping, others were keeping out of the rain under eaves on either side of the street. The surveillance team chose positions out of the rain that permitted a view of An Dong Market. Noon, then 1300 hours, and Tran Minh Quang did not come out, perhaps because the rain continued, perhaps because he knew he had been compromised. But No. Near 1400 hours, Tran Minh Quang, in a raincoat, crossed quickly from inside the market across the street and into a small alley facing it. Seeing his distended pouch, the surveillance team said to each other that the information supplied them by the people was correct--he was getting more merchandize today than ever.

After more than 10 days of surveillance, the team was familiar with the actions and the comings and goings of the subject. Whether or not his shop opened up in the morning, it was always busy with clients. They came and went quickly, each exhibiting secretive behavior. The headquarters met with the surveillance

team, and ways and means were proposed for catching the subject in the act of committing a crime and yet not warning the ring. After many meetings and discussions, they decided on the best way to accomplish it.

Tran Minh Quang looked carefully ahead and behind, then nonchalantly started the vehicle. Three surveillants followed. They kept just close enough to keep him in sight and still be able to take action. After going a few hundred meters, Tran Minh Quang suddenly turned right up onto the sidewalk, slowed, then made a 180-degree turn and drove his vehicle back up the street he had come down.

Had they been discovered, the surveillants asked themselves when they saw that he was not taking the road he usually did. Tran Minh Quang accelerated and nervously craned his neck to look behind. Seeing several youths still following, he became really afraid and anxiously looked for a narrow alley to slip into. Seeing that it was time for action, the three surveillants moved in on their Honda 67 vehicles and forced the subject to move to the side of the street and stop. At the public security office nearby, Ching Wing Khang looked worried and remorseful as the patrol pulled things out of his pouch: 10 ounces of gold leaf, 25 diamonds, 10 jade necklaces, nearly 100,000 dong in cash, and a set of scales for weighing gold. At a later search of his house, the surveillance team discovered 10 more ounces of gold leaf, \$1,255, and 16,000 dong.

It was clear that Ching Wing Khang had committed the crime of secretly dealing in gold and precious stones under cover of conducting a gilding business. He was booked as a criminal caught in the act of committing acts to damage the socialist economy.

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CSO: 4209/31

## MILITARY AFFAIRS AND PUBLIC SECURITY

### BRIEFS

COUNTERFEIT GOODS MERCHANTIZERS SEIZED--Economy police forces of urban wards, in cooperation with the market management board and shock youth forces providing security on the basic level, uncovered and caught red-handed many rings and gangs surreptitiously manufacturing and illegally distributing counterfeit merchandize and substandard goods of every description. At Subward 13 of the 8th Precinct, they apprehended five persons, led by Chu Long Vuon, in the act of manufacturing and distributing counterfeit cigarettes displaying the labels of brands manufactured by Joint Cigarette Enterprise 2. Nearly 100 kg of cigarette fiber and much equipment were confiscated. The economy police of Binh Thanh Ward apprehended Nguyen Hung and Nguyen Thi Mai for producing counterfeit beer with the brand name of beer made by the Joint Liquor, Beer, and Soft Drink Enterprise 2. They were using draft beer, with more gas, poured into bottles and mixed with real beer for sale. The public security forces confiscated over 1,500 bottles of substandard beer and over 200 liters of draft beer, bottled gas, and other equipment. In Subward 23, 5th Precinct, the public security forces caught Tran Thi Bi in the act of surreptitiously producing counterfeit beer in the same way; they confiscated 37 bottles of substandard beer, a bottle-capping apparatus, and a refridgerator. An organization specializing in the production of cigarettes with foreign brand labels was also caught red-handed in Subward 3, Binh Thanh Ward. [Text] [Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 18 Aug 84 p 4] 9830

CSO: 4209/31

## PARTY ACTIVITIES AND GOVERNMENT

### TASK OF CHECKING CADRE PERFORMANCE IMPROVED

Hanoi NHAN DAN in Vietnamese 25 Sep 84 p 3

[Article: "Checking of Performance of Cadres To Be Done Better"]

[Text] The ranks of leading and management cadres at all levels and in all sectors hold an especially important position in organizing the fulfillment of the party's political tasks. They are the people who have a decisive authority over applying the party line and organizing the implementation of the positions and policies of the party and state in localities and production installations. The realities have shown that wherever the leading and management cadres have good qualities and pure revolutionary morality, there is an enthusiastic mass movement for revolutionary action in which the people seriously carry out the positions and policies of the party and state. Wherever cadres have limited background and capabilities and commit errors and shortcomings, there usually appear many negative phenomena, with many aspects of their work showing very slow progress and production and business becoming stagnant.

So far our party has always paid attention to building and correctly placing leading and management cadres. In recent years, the CPV Central Committee has issued many resolutions and directives on this matter and ordered all echelons and sectors to check the performance of cadres on the basis of the situation and results of fulfilling their units' political tasks. As a result, the quality of leading and management cadres has been improved further. Their capabilities in terms of leadership and management have shown progress as they were clinging more and more closely to the needs of the political and organizational tasks and working with better quality and greater results. However, the work of cadres, particularly the building and perfecting of the ranks of leading and management cadres, has not yet satisfied in time the development needs of the revolutionary task.

In order to further strengthen the fighting power of party organizations and the managerial effectiveness of state organs, the 4th and 5th Plenums of the

CPV Central Committee emphasized the need to control and check the performance of cadres, mostly the leading and management cadres in all sectors and at all levels, and asked that it be done without delay in the key sectors and in important localities as one of the vital and urgent measures to ensure successful fulfillment of the immediate socioeconomic tasks. The directives of the Secretariat and circulars of the Organization Department of the Central Committee later provided guidance in terms of the purpose, requirements and steps for carrying it out. So far 39 out of 40 provinces and municipalities subordinate to the central administration have been checking the performance of their cadres. Some localities have come to the key cadres at the basic level; more common is the checking of performance among cadres under the management of provincial and municipal committees. More than two-thirds of committees and sectors at the central level have started to check the performance of cadres at the levels of departments, sections, institutes, general corporations, enterprise unions, and so on. Generally speaking, the central sectors have been slower than the local ones. In some localities, self-criticisms and criticisms as dictated by the resolution of the 4th Plenum of the CPV Central Committee have not even started yet.

This time the task of reviewing, making conclusions and handling the cases of cadres having committed shortcomings was being carried out in an urgent and resolute manner, with centralized and close leadership provided by the party committee echelons and heads of units and in compliance with the party formula and policy on handling discipline-related cases. The localities that did the job quickly have made conclusions for over 80 percent of cases; the ones that were slow, 40 percent. Many cases that had been left pending for a long time were resolved. Some cadres who had been falsely accused were cleared of charges by the responsible organs and have been doing their work with reassurance and in an enthusiastic manner. Many localities were gradually overcoming rightist tendencies, indecision, impartiality and lack of unanimity in considering and handling the discipline-related cases of those who had committed mistakes and shortcomings. As a result, the majority of cadres, party members and the masses for the first time had confidence in the struggle against the negative aspects. Any violations of the principles of organization and party activities and lack of concept of disciplinary organization were severely criticized.

Through this performance-checking drive, the central and local sectors have now understood their cadres better and have more correct and objective views in making evaluation, arrangement and recommendation for cadres. Some localities firmly and boldly made adjustments and replaced those cadres who had been showing poor health, limited capabilities and failure to shoulder their task. Some provinces and municipalities replaced one-third of their district secretaries and chairmen as the result of poor health and limited

capabilities and background on their part. Many localities, committees and sectors promoted or recommended for promotion quite correctly the outstanding cadres who had gone through many challenges into important leadership positions. The efforts this time to organize cadres and to renew things about them have led to changes in both the rural sector and production and business installations, thus creating favorable conditions for the weak and poor installations to move forward and to fulfill their political task and to strengthen solidarity.

These initial results were due to the concern about centralized, active and close leadership on the part of local party committee echelons and heads of central committees and sectors. Many localities attached importance to heightening and changing the awareness of the need to assist their party committee echelons in checking the performance of cadres on the part of the standing committees of provincial and municipal party committees, people's committees and other committees and sectors. The responsible organs achieved smooth coordination, made accurate conclusions, quickly and neatly resolved cases and matters within their responsibility and thus avoided the situation of evading the latter due to a fear of difficulties and complexities. Many echelons and sectors attached importance to raising awareness, views and positions in the spirit of the resolution of the 4th Plenum of the CPV Central Committee. The fact that there were self-criticisms and criticisms within the party, along with control and inspection by the superior echelons and responsible organs, created favorable conditions for clarifying many cases and matters that had been left pending. Many units had serious, frank and accurate self-criticisms and criticisms; succeeded in sharply reducing the phenomena of being afraid of, unfairly partial and protective toward the leading cadres or making token criticisms against them; and were able to promote the concept of collective ownership among cadres, workers and civil servants. In the units where the heads had made mistakes or the majority of the leading cadres had become corrupt, the party committee echelons were capable of taking the right measures to properly resolve the problems and minimizing the negative action of those people. Clearly determining that it was an important phase of their work, many provincial and municipal party committees were making work arrangements and assigning the more capable and experienced cadres the task of checking the performance of cadres.

However, since checking the performance of cadres was a difficult and complex task involving many sectors and echelons and a rather large number of cadres to be checked, it was difficult to avoid shortcomings. A common situation was the slow work of many localities. Even now some units have not yet made self-criticisms and criticisms in compliance with the resolution of the 4th Plenum of the CPV Central Committee and in conjunction with reviewing the fulfillment of their political tasks. As they checked their cadres' performance, some localities remained subjective and believed their units had

nothing big to be fussy about; as a result, they did the job in a superficial manner and thus obtained vague results. In a number of sectors and units in charge of materials management, production and business, export and import, tax collection and labor cooperation with foreign countries, although there had been for some time unhealthy signs, no active efforts were made to check the performance of their cadres.

Making conclusions and taking disciplinary action against the cadres who had committed errors was still slow. Even in the localities where active efforts were made, about 20 percent of all cases that had been known were left pending. In the localities where internal solidarity did not exist, fear and partiality prevailed and there was a lack of bold action to make self-criticisms and criticisms. In a few other localities there were prejudices, criticisms that lacked constructiveness, or the tendencies to use discipline to punish one another. Many localities and sectors failed to link selecting outstanding people, drafting plans having to do with cadres and perfecting organization with checking cadres' performance, nor to pay proper attention to setting up work procedures and adopting regulations about management of cadres. The efforts to check the performance of cadres in compliance with the resolution of the 4th Plenum of the CPV Central Committee were far from total, with poor results being obtained in some aspects of the job and a lack of appropriate interest in it.

In order to raise their fighting power, to build clean and strong party organizations, to develop managerial efficiency on the part of the state organs and to properly carry out the present urgent socioeconomic tasks, the local party committee echelons and leading organs in all sectors must continue to step up the job of checking the performance of the leading and management cadres they supervise; this job must be completed no later than the end of 1984 and turned into a regular and routine one.

All echelons and sectors must understand more thoroughly the purposes and needs of the cadres-checking job, review it in time to draw experience from it, further encourage good work and correct any shortcomings. The localities that have not yet started the job must urgently make preparations for starting it in the coming months. The localities that have been doing the job must review the situation, perfect their plans and measures, use additional cadres and carry out the job within the specified time. We must strengthen leadership as it is provided by party committee echelons and heads of organs, particularly by standing committees of provincial and municipal party committees, first in the case of key sectors and important locations. We must clearly determine responsibilities and division of work and closely coordinate activities among committees and sectors at the same level and between different localities and ministries and sectors. Every party committee echelon must

concentrate leadership on doing the job in a certain number of units first, mostly in the organs and enterprises that manage money, goods and materials; the units that play an important economic role; or the ones that remain weak and poor and have been doing the job too slowly, and draw leadership experience in the meantime for extending it to other units later.

As we do the job, we must pay attention to specifying the things that need to be considered and involve the key cadres under the management of our echelon, concentrate on the central and important points and avoid doing so many things at the same time. As we resolve them, we must categorize cases and matters. In small matters, the leading cadres concerned ask the cadres who have committed shortcomings to explain and remind them of the need to overcome the shortcomings. In the cases and matters that are not so serious, they assign the task of considering them and making conclusions to organizational and control committees. As for the more important and complex cases, the task of considering and appropriately resolving them must be assigned to control committees of the party committee echelons concerned or inspection committees of the state. For the cases that involve implementation of economic policies and specialized work, the higher echelons or ministries in charge will have to consider them and to draw conclusions. As for mistakes having to do with revolutionary qualities and morality, the local party committee echelons will do the job. After conclusions are made about right or wrong, we must take strict disciplinary action against the cadres who have committed serious shortcomings, overcome any rightist tendencies and favoritism and at the same time avoid any attitude that points to prejudices and deliberate crackdown. Through checking the performance of cadres, we must pay attention to reviewing the plans that involve cadres, discover and bring good cadres into the reserve cadre ranks, make up for shortages of cadres and adopt the work statuses and cadre management procedures that comply with the resolution of the 4th Plenum of the CPV Central Committee.

Direct leadership assumed by party committee echelons, first of all by standing committees of provincial and municipal CPV committees and heads of units; positive measures; uniform plans; and efforts to develop the combined strength of sectors and echelons, and the concept of collective ownership among cadres, workers and civil servants -- these are the decisive conditions that ensure that the job of checking the performance of cadres will bring about good results.

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## PARTY ACTIVITIES AND GOVERNMENT

### SYMPOSIUM REVIEWS PARTY BUILDING IN CENTRAL REGION

Hanoi NHAN DAN in Vietnamese 30 Sep 84 pp 1, 4

[Article: "Building Strong Basic Party Organizations in Central Highlands and Region West of Central Coastal Provinces"]

[Text] The Organization Department of the CPV Central Committee recently organized in Dac Lac a symposium on party building as it had been carried out in the Central Highlands and the region west of the central coastal provinces.

Tran Kien, secretary of the CPV Central Committee, presided over the symposium.

In the last few years, the basic party organizations in the Central Highlands and region west of the central coastal provinces had a thorough understanding of the resolution of the 5th Plenum and resolutions and directives of the CPV Central Committee and scored many achievements in stepping up party building in the Central Highlands. They were assuming leadership over combining the economy with national defense; combining agriculture, forestry and industry together; and developing the strength of the entire region. The ranks of party members were quickly increased, from 15,000 in 1975 to 37,000 in 1984. The great majority of party members underwent training and testing in combat and production, properly implemented party policies and positions, obeyed state laws, clung to mass movements, built party bases and stabilized production and the standard of living.

The party organizations concentrated their efforts on building basic organizations, especially the party bases in villages and subwards. These bases received tens of thousands of additional cadres and party members. Many provinces and districts sent members of their own party committees to serve as secretaries of village party committees and of party chapters. The party organizations were paying attention to opening elementary and advanced training courses for the key cadres in the party bases, improving the quality of

party members and perfecting the party bases. Basic party organizations have by now been built in all villages and subwards. Many party chapters and organizations were able to define the political task of their localities and to gradually develop their economic strength, consolidated the administration and mass organizations, stabilized political security and social order and built the militia and self-defense forces. Through such a job they provided cadres with elementary and advanced training and recruited new party members. The number of cadres being local and native people and being young and capable was increasing considerably.

In the last 9 years, under the leadership of their party organizations, the Central Highlands underwent many great changes. The 300,000 people who had come from the Zone 5 delta provinces and from the North to the Central Highlands, along with the local people, were opening new land and reclaiming fallow land, building water conservancy works, growing industrial crops, developing wet rice cultivation, exploiting forests and building hundreds of state farms and forests, enterprises and agricultural stations. The region as a whole now has 250 agricultural cooperatives and more than 1,800 production collectives and has collectivized more than 45 percent of the cultivated area and more than 50 percent of agricultural labor. The ethnic minority people were stepping up the settlement of nomads for settled farming. In 1983, the gross production of grain was more than 600,000 tons and the average per capita production was over 300 kilograms.

In the coming years, the Central Highlands will be concentrating their efforts on building basic party organizations in conjunction with building districts and strengthening the district level and will step up the party-developing task, with attention being paid to native people and ethnic minorities, the newly-liberated zones and such economic installations as state farms, state forests, cooperatives, and so on. Efforts must be made to turn within a few years almost all district and basic party organizations into honest and strong ones. The party organizations in the Central Highlands and the region west of the central coastal provinces ceaselessly heighten their leadership capabilities and economic management; further strengthen the party-protecting task; raise the vigilance of cadres, party members and the masses; and do their very best to build the Central Highlands into a prosperous region.

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## PARTY ACTIVITIES AND GOVERNMENT

### IMPLEMENTING 6TH PLENUM RESOLUTION LINKED WITH LIFE

Hanoi NHAN DAN in Vietnamese 30 Sep 84 pp 1, 4

[Article: "Sixth Plenum Resolution Involves Everyday Life"]

[Text] The resolution of the 6th Plenum of the CPV Central Committee is creating new inspiration within the party and is being urgently and seriously implemented. Local party committee echelons and central committees and sectors are properly combining thoroughly understanding it with carrying it out, have positive programs of action and have begun to do actual work.

Municipalities, provinces and special zones are concentrating their efforts on carrying out the key programs: reorganizing production, improving management at the basic level, resolving a number of urgent matters in distribution and circulation, strengthening market management and further stabilizing the living conditions of workers, civil servants, the armed forces and working people.

The Municipality of Hanoi suggests that the focus of its work is to better the living conditions of working people, to continue stepping up the transformation of privately-operated commerce and completing the work in its rural districts and to reorganize industry and handicrafts. The program of Ho Chi Minh City emphasizes the work dealing with transformation of privately-operated industry and commerce, reorganization of production and improvement of distribution and circulation, and defines a number of procedures and policies in connection with people going to new economic zones and assault youths.

Renewing economic management in localities is being started and includes reorganizing production sectors, stepping up division of work and assignment at the basic level to districts, building districts into a planning and budgetary level capable of fully managing the socioeconomic affairs of districts and extending the right of enterprises to act on their own initiative in production and business.

However, there still are many matters of local and basic-level interest that need to be regulated by the central administration in the form of positive regulations and uniform policies and to receive timely guidance, for the purpose of resolving the major relationships between agriculture and industry, between central and local levels, among the state-operated, collective and family-based sectors and developing the potential and strength of every locality.

What is noteworthy is the fact that all localities are carrying on the work of transforming privately-operated commerce, expanding socialist commerce, managing the market and actively controlling goods, mostly grain, agricultural and marine products, products of industry, small industry and handicrafts, and cash; the state is assuming unified management over business involving the essential goods, punishing speculators and smugglers and ensuring supply of essential items for workers, civil servants and the armed forces. Hanoi has made considerable progress in ensuring supply of nine items for workers and civil servants, for the first time managed the cigarette market, punished a number of smugglers and moved toward strict management of the food and beverage and services sectors by taking different forms of action. Ho Chi Minh City is strongly developing the socialist commercial network, extending marketing and wholesale and retail activities and organizing services. The socialist commerce has prevailed in the social market over 70 percent of grain, 70 percent of pork, 41 percent of vegetables and fruits, 44 percent of fresh fish, 62 percent of sugar and 80 percent of fish sauce and is striving to control by the end of the year 80 percent of the value of wholesale goods and 60 percent of the value of retail goods. The transformation of commercial bourgeois households is also being stepped up.

The Municipality of Haiphong and Quang Nam-Da Nang Province also extend transformation of privately-operated commerce, expand socialist commerce, strengthen market management and purchase agricultural and forest products. The total value of goods purchased in Haiphong in the first 9 months of this year increased by 19 percent over the same period last year. Quang Nam-Da Nang Province has been strengthening management of timber and other important forest products like cinnamon, tung tree, etc.; getting rid of commercial bourgeois people and private businessmen doing business in and transporting timber and forest products; and expanding the retail network that sells grain at guaranteed-business prices to all residents in the municipality.

Ha Nam Ninh Province also organizes sales of grain at guaranteed-business prices to nonagricultural workers. Vinh Phu and Hai Hung Provinces have unified management of pork, buffalo meat and beef. Vinh Phu and Ha Bac have opened very many cigarettes-selling counters and prohibited private businessmen's dealing in cigarettes.

Wherever the implementation of the resolution of the 6th Plenum of the CPV Central Committee was linked with life, it has brought about initial results and restored everybody's confidence.

## AGRICULTURE

### STATISTICS PROVIDED ON 1984 MOVEMENT OF LABORERS TO STATE FARMS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 23 Aug 84 p 1

[Article by H.K.: "1,141 of the City's Families, Comprising 3,188 Workers, Out to Build State Farms; 750 Families Prepare to Set Out"]

[Text] SGGP--Presently, the 1st, 3rd, 4th, 5th, 8th, 10th, and 11th Precincts, Binh Thanh Ward, and Thu Duc District completed processing and readied such initial necessities as beds, mosquito nets, blankets, and clothing, and worked with rubber production corporations in Song Be Province to bring 750 more families out, with 1,300 workers and 5,450 other persons to build state farms in September 1984.

Since the beginning of the year, the city has had 1,141 families, comprising 3,188 workers and 5,480 persons without stable employment go out to build state farms in the suburbs and Song Be Province; among them, 776 families, with 1,669 workers and 3,264 other persons, went out to 5 rubber production corporations of Song Be Province. During June, July, and August, the number of persons registered to go build state farms exceeded those of all previous months. Before transporting families, wards and districts sent people ahead to help the state farms prepare living quarters and other necessary facilities. Large numbers of people from the 1st, 3rd, 5th, 8th, and 11th precincts, Binh Thanh Ward, and Thu Duc District enthusiastically went out to build state farms.

Binh Long, Dong Phu, and Phu Rieng Corporations had good procedures for arranging social life and facilities which allowed families to quickly stabilize life and start work early to build state farms.

Presently, in addition to income from family economies, the average monthly income of state farm members in the suburbs is 300-700 dong; in rubber production corporations, it is 700-1,000 dong; in Dong Phu and Binh Long in particular, it is 700 to 1,200 dong.

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## AGRICULTURE

### MINH HAI STEPS UP COLLECTIVIZATION OF AGRICULTURE

Hanoi NHAN DAN in Vietnamese 25 Sep 84 p 2

[Article by Tran Hong Quan of Agricultural Section, Minh Hai Provincial CPV Committee: "Linking the Movement for Collectivizing Agriculture With Extending the Network of Marketing and Credit Cooperatives in Rural Areas"]

[Text] The purpose of socialist transformation for agriculture is to wipe out exploitation, to bring farmers to collective work, to develop production and to build the new countryside and the new socialist man, who knows how to be the master of nature, society and himself.

In Minh Hai Province, wiping out land exploitation by feudal lords and the rural bourgeoisie and making land adjustments among farmers has basically been completed. Since the day of liberation the province as a whole has taken 48,028 hectares from the households that had excesses of land and given them to the ones that had little or no land; created an atmosphere of solidarity and encouragement in production; and stepped up intensive cultivation, growing of additional crops and raising of labor productivity. Making land adjustments without reorganizing production and bringing farmers into collectivization means failing to wipe out the reasons that gave rise to exploitation.

The question that is raised is when we bring farmers into collective work, we must closely link collectivizing agriculture with extending the network of marketing and credit cooperatives in the countryside. While the socialist commercial system remains weak, we must strengthen proselyting and organize marketing cooperatives in agricultural cooperatives and in villages and subwards and vendors' counters in production collectives. While the credit granted by the state as loans still is limited, we must actively organize credit cooperatives in villages and credit teams in cooperatives and joint agricultural production collectives in order to get hold of capital from the well-to-do farmer families and to lend it to the poorer ones. Having a good solution for these three aspects and closely and harmoniously combining them will create an atmosphere of solidarity and unity among farmers and limit and then wipe out exploitation in the countryside.

Currently the province has 3,066 production solidarity teams, 2,800 production collectives, 19 joint collectives, 52 cooperatives and 9 state farms. In addition, there are 130 collectives and cooperatives specialized in forestry, marine products, industrial crops, etc. Generally speaking, the state-operated and collective economic sectors account for 58 percent of the cultivated area. If the areas cultivated by production solidarity teams are included, this figure will be 98 percent. About 12 percent of farmers produce collectively. The commercial sector organizes 239 marketing cooperatives and 648 stores. In addition, there are 110 credit cooperatives.

In 1984, the movement for collectivizing agriculture in Minh Hai has been developed both in depth and in breadth; the rate of development in the first 7 months was 1.5 times greater than that in 1983. The reason for this fast development was the correct party line and the outstanding socialist economic model, which has been attracting the majority of farmers toward taking part in collective production. The party committee echelons, administrations and sectors were being concerned about providing the leading cadres at the basic level and party members with good regular training in order to have a large cadres' force to lead and organize the movement and taking positive measures to assign every party member the task of organizing a production collective. The quality of collective economic units has been improved, mainly in connection with providing uniform training of managerial, technical and professional cadres and dividing the work and level of training as it was directed by the Agricultural Section among the services in charge of agriculture, finances, banking, labor, commerce, and so on, which were to carry it out jointly.

After having widened the implementation of the resolution of the 6th Plenum of the CPV Central Committee, Minh Hai Province has affirmed that by 1985 it would have basically completed the collectivization of agriculture and linked it with reorganizing the distribution and circulation system and credit cooperatives so as to gradually wipe out all remnants of exploitation in the countryside.

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## POPULATION, CUSTOMS, AND CULTURE

### BRIEFS

SUPERSTITIOUS PRACTICES--I recently witnessed an instance of burning sacrificial articles (worth thousands of dong) on an altar erected at a temple near the municipal teacher's college. The paper sacrificial articles were very ornate, comparable to art objects currently exported, including household items, trays, boxes, and spheres containing "precious pearls" and lustrous "gold and silver," and even a horse larger than a real one, with more beautiful trappings than a circus horse; then there were plastic dolls, animals, toys, cakes, and fruit. All were expensive articles, made of valuable materials, some having to be imported, and there was enough to fill a house. I calculated that the burning of sacrificial articles to "pay debts of a prior existence" consumed enough money to build a school for 50 children. The "ceremony" lasted more than a day, included two feasts with alcoholic beverages, and concluded with a trance that lasted 3 hours; there was even a concert of light music and Vietnamese folk operas. At a time when the working people are struggling to produce and conserve to build the city, superstitious practices with such waste are certainly irrational and unacceptable. The time has come for the people of the city, along with the official sectors, to conduct careful investigations to determine what religious beliefs should be preserved and what superstitions should be suppressed, both to reduce waste of the society's property and to purify the spiritual life of the people. [Nguyen Dinh Ton, of the Ministry of Culture] [Text] [Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 17 Aug 84 p 1] 9830

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