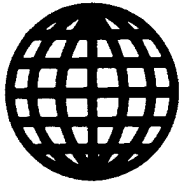


JPRS-SEA-89-025
11 JULY 1989



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East Asia

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COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

Conditions in Khmer Rouge Camps, Forced Evacuations

42000140 Sydney *THE WEEKEND AUSTRALIAN*
in English 20-21 May 89 p 16

[Excerpts] Bangkok: As the first monsoon rains were sweeping down through eastern Thailand earlier this month, battle-hardened Khmer guerrilla fighters arrived at a remote refugee camp on the border with Cambodia.

They began silently pulling hundreds of people from the cluttered bamboo huts that shelter some of the 300,000 Khmers displaced from western Cambodia by a decade of war.

Forming the Khmers into lines, they marched them off into the night, never to be seen again. Huddled and frightened, the refugees were last glimpsed walking at gunpoint eastwards in the direction of the Cambodian border.

There were women, children and some elderly in the estimated 3,000 to 4,000 refugees who disappeared on that warm summer's night several weeks ago. Behind them they left only the sick and disabled.

The disappearances from Tha Leuan camp, one of a dozen makeshift sites just inside Thailand that shelter the uprooted victims of Cambodia's nightmare, added another footnote to one of the most horrendous stories of the 14-year Khmer tragedy.

The United Nations Border Relief Operation (UNBRO), which co-ordinates food and medical aid for the 300,000 refugees, believes at least 18,000 to 20,000 Khmers have simply faded from sight in the past 12 months alone.

In one camp, Huay Chan, the entire population of more than 8,000 vanished without trace. Though it can still be found on United Nations maps, the camp is now silent and deserted. It has officially ceased to exist.

Relief agencies working in the area say they are afraid the 4,000 missing inhabitants of Tha Leuan might have been killed in border fighting or even massacred.

"As far as we know for certain, the 4,000 have been forced to move out of the camp into areas inaccessible to us. We don't know about their welfare, and that's very worrying to us," said a relief agency worker just back from the border region.

She refused to give her name in case the Khmer Rouge banned her from entering their camps again.

Most of the refugees are believed to have been forcibly conscripted into the 30,000-strong guerrilla force of the Khmer Rouge, one of three resistance factions trying to rid Cambodia of its Vietnamese occupation army. [passage omitted]

Though all of the dozen or so displaced-persons camps along the border are theoretically under Thai supervision, at least four, containing 55,000 Khmers, remain hidden and virtually inaccessible.

There were no witnesses to the Tha Leuan incident or the other disappearances; outsiders, especially Westerners, are not welcomed by the Khmer Rouge, the self-appointed guardian and warden of Tha Leuan and several other refugee camps.

Visitors who approach the camps are warned off by armed Khmer Rouge fighters and the settlements are often surrounded by minefields.

Increasingly alarmed over the welfare of the Khmers, the International Committee of the Red Cross (ICRC) threatened late last year to break off aid to three Khmer Rouge camps—Bo Rai, Tha Leuan and O Trao—unless it gained unrestricted access.

Thailand agreed that the 15,000 inhabitants of the three camps should be merged into a new camp further north, known as Site K, where they could be more easily monitored and protected.

Weeks before the Tha Leuan refugees were to be moved out, the Khmer Rouge arrived and scuttled the plan.

"Only 300 actually turned up in Site K, and they were all sick, elderly or handicapped," said a relief worker who has just returned from the border.

"They won't say what happened to the others—they're too frightened."

An Australian aid worker said the 10,000 refugees remaining in Bo Rai and O Trao were now exposed to similar danger from the Khmer Rouge.

Relief agencies are allowed daily visits into the Khmer Rouge camps, but must leave at nightfall. They dispense food and medical aid under almost intolerable conditions.

"It's very like the situation with the old Khmer Rouge regime—everybody sombre; nobody is allowed to speak to you and you're not allowed to speak to them," said the Australian aid worker.

Hot, dusty and crude, the Khmer Rouge camps reflect the desperation of a guerrilla army that will never again be allowed to rule.

Aid workers say the baked red-clay settlements, hidden in jungle regions almost within sight of the Cambodian border, are covered in sprawling bamboo-clad huts that lack even basic amenities. Spiked wooden fences manned by scowling guerrillas enclose the huts, keeping strangers out—and their unwilling captives in. [passage omitted]

Diplomats and aid officials say their biggest fear now is that the Khmer Rouge, with its chances of returning to power fast slipping away, is becoming uncontrollable on a local level.

They say the events at Tha Leuan confirm that the party leadership has little direct influence over the actions of its rank and file—and there could be worse to come.

Thailand, which is one of the two main supporters of the Khmer Rouge—the other is China—has been widely criticised for its failure to protect the Khmers.

When 94 American congressmen pressed last month for the rights of those under Khmer Rouge influence to be guaranteed, the prime minister, General Chatchai Chunchawan, retorted that if Washington feared for the safety of the Khmers, it should resettle them all in the United States.

Roundup of June Battle Results

BK0507032089 (*Clandestine*) *Voice of the National Army of Democratic Kampuchea in Cambodian*
2315 GMT 4 Jul 89

[Text] 1. East Kompong Cham battlefield: We killed 7 and wounded 5 enemy soldiers for a total of 12 casualties. We attacked and dismantled Vietnamese administrative networks in 12 villages and a commune.

2. Kratie battlefield: 10 killed and 8 wounded; total: 18 casualties. Administrative networks in five villages and three communes attacked. Fourteen local officials and two Cambodian soldiers freed.

3. Northwest Phnom Penh battlefield: 35 killed and 48 wounded; total: 80 [as heard] casualties. Administrative networks in 108 villages dismantled; 113 local officials and 4 Cambodian soldiers freed.

4. Kompong Speu battlefield: 7 killed and 3 wounded; total: 10 casualties. Administrative networks in three villages dismantled.

5. Kompong Chhnang battlefield: 23 killed and 17 wounded; total: 40 casualties. Administrative networks in 18 villages dismantled; 3 local officials freed.

6. Kompong Cham battlefield: five killed and three wounded; total: eight casualties. Administrative networks in 20 villages and 2 communes dismantled; 12 local officials freed.

7. Stung Treng battlefield: 24 killed and 26 wounded; total: 50 casualties. Administrative networks in 14 villages and 2 communes dismantled; 35 local officials freed.

8. Mondolkiri battlefield: two killed and two wounded; total: four casualties. Administrative networks in four villages dismantled; eight local officials freed.

9. Battlefield around Battambang: 113 killed and 112 wounded; total: 225 casualties. Administrative networks in 45 villages and 8 communes dismantled; 2 local officials freed.

10. Kompong Som battlefield: 38 killed and 31 wounded; total: 69 casualties. Administrative networks in 27 villages dismantled; 14 local officials freed.

11. Kompong Thom battlefield: 41 killed and 44 wounded; total: 85 casualties. Administrative networks in 88 villages and 5 communes dismantled; 17 local officials and 23 Cambodian soldiers freed.

12. Siem Reap battlefield: 36 killed and 25 wounded; total: 61 casualties. Administrative networks in 10 villages and 3 communes dismantled; 42 local officials freed.

13. Moug-Pursat battlefield: 47 killed and 56 wounded; total: 103 casualties. Administrative networks in 54 villages and a commune dismantled; 36 local officials freed.

14. Kampot battlefield: 72 killed and 86 wounded; total: 158 casualties. Administrative networks in 61 villages, 2 communes; a township dismantled; 50 local officials freed.

15. Southwest Phnom Penh battlefield: 33 killed and 55 wounded; total: 88 casualties. Administrative networks in 39 villages and a commune dismantled; 58 local officials freed.

16. North Phnom Penh battlefield: 5 killed and 7 wounded; total: 12 casualties. Administrative networks in 24 villages and a commune dismantled.

17. Koh Kong battlefield: two killed and two wounded; total: four casualties. Administrative networks in six villages and a commune dismantled.

18. Oddar Meanchey battlefield: 15 killed and 16 wounded; total: 31 casualties.

19. Preah Vihear battlefield: 27 killed and 24 wounded; total: 51 casualties. Administrative networks in five villages and a commune dismantled; eight local officials and six Cambodian soldiers freed.

20. North Sisophon battlefield: 28 killed and 57 wounded; total: 85 casualties. Administrative networks in a village and a commune dismantled; 10 local officials freed.

21. South Sisophon battlefield: 49 killed and 50 wounded; total: 99 casualties. Administrative networks in a village and a commune dismantled.

22. Pailin battlefield: 55 killed and 81 wounded; total: 146 [as heard] casualties.

23. Samlot battlefield: 69 killed and 59 wounded; 128 casualties.

24. Leach battlefield: 29 killed and 45 wounded; total: 74 casualties.

25. Peam Ta battlefield: 66 killed and 69 wounded; total: 135 casualties.

In sum, we killed 848 [as heard] enemy soldiers and wounded 928 [as heard] others for a total of 1,776 [as heard] casualties. We attacked and dismantled Vietnamese administrative networks in 558 [as heard] villages, 32 [as heard] communes, and a township; freed 657 [as heard] local officials and 35 Cambodian soldiers.

STATE OF CAMBODIA

Official, Correspondent View Banteay Meanchey Security

42000141 Sydney *THE AUSTRALIAN* in English
5 May 89 p 7

[Article by Jim Pringle, who toured Cambodia's Banteay Meanchey province last week]

[Excerpts] In this western-most Cambodian province, the main road to Thailand deteriorates to a narrow dusty track with grass growing down the middle.

Soon, if there is a political settlement in Cambodia and peace comes, it may carry traders and Western tourists into the land of the fabled temples of Angkor. But today the war is never far away.

As I rode 50 km on top of a Soviet armoured personnel carrier (APC) from the province's capital of Sisophon to Poi Pet, once the principal crossing point into Thailand but now a shell of a town abandoned to birds and snakes, Soviet T-54 tanks guarded the track at intervals.

More than 1,500 troops of the Hanoi-backed People's Republic of Kampuchea (PRK) regime also provide security for the road, but they are stretched thin in the dried rice paddy fields and forests, and as one of my Cambodian companions said, "The enemy can shoot at any time."

The "enemy" is the much feared Khmer Rouge, who brought the killing fields to Cambodia. Though they are based mainly in camps on the Thai side of the frontier beyond mountains which stretch to the south of here, up to 1,200 Khmer Rouge soldiers are deployed in this strategic province.

By the roadside, one sees the artillery pieces used to shell them in their malaria-infested forest hideouts.

Besides the Khmer Rouge there are about 800 "paras" of the Khmer People's National Liberation Front (KPLNF) of Mr Son Sann, a non-communist leader in the three-party coalition headed by the former ruler of Cambodia, Prince Norodom Sihanouk.

Vietnamese diplomats in Phnom Penh told me Prince Sihanouk's uneasy coalition might be able to seize one or two province capitals after the 40,000 Vietnamese soldiers still in Cambodia pulled out by 30 September—but they didn't believe the guerrillas could hold them more than a few days.

Banteay Meanchey, with a population of 346,000 often in "contested" areas, is almost certainly one of the provinces the Vietnamese are concerned about.

In Cambodian terms, this is the "sharp end" of the war, opposite military camps in Thailand of the three coalition factions. Sisophon was shelled 13 times last year and already twice this year. There are 8,000 PRK and 1,000 Vietnamese troops protecting the province. [passage omitted]

In Kob village, the deputy militia chief, Mr Vung Mao, 36, said there had been 69 sightings of guerrilla troops this year and four armed clashes with KPLNF forces as they crossed the highway on their way back to their base camps in Thailand. "But we consider we have the situation under control," he said.

Much of the route to Poi Pet, 400 km north-west of Phnom Penh, is across open terrain where it is hard to mount ambushes, and the PRK troops with their Soviet AK-47 assault rifles seemed relaxed.

But there are mines everywhere—an estimated 500,000 are sown along the 1000 km Thai-Kampuchean border and our group walked in single file up a narrow, mine-swept pathway to the frontier bridge, where a skull-and-crossbones sign warned us not to proceed. [passage omitted]

Back in Sisophon, Banteay Meanchey Governor Mr Eth Loeur was frank about the problems but believed the PRK could retain control of this key province.

"I admit the situation in some districts is quite complicated," he said. "But I guarantee 100 per cent if we cannot find a political solution and the war continues, Banteay Meanchey cannot be lost." [passage omitted]

Commentary Hails OPEC's Production Quota Decision

BK1206025789 Jakarta Domestic Service in Indonesian 0000 GMT 12 Jun 89

[Station commentary]

[Text] The OPEC decision on production quotas and reference prices, achieved after a number of long meetings, has served to remove fears that the mid-year meeting might not have a favorable outcome.

With the current 1 million barrel per day production quota increase—lifting it to 19.5 million barrels per day—Indonesia can increase its production by a further 67,000 barrels per day. This means that Indonesia will now be able to produce 1,307,000 barrels per day instead of the previous level of 1,240,000 barrels per day. The recent OPEC meeting in Vienna decided to reconvene in September to discuss the possibility of increasing the production quota to 2 million barrels per day from 1 October.

Indonesia had expected that an agreement would be signed during the meeting. Mining and Energy Minister Ginanjar Kartasasmita said before leaving for Vienna that OPEC should increase its production between 500,000 to 1.5 million barrels per day and the minister's expectation did not fall short of that statement.

On the price issue, Indonesia was previously interested in maintaining a price at \$18 dollars per barrel and the OPEC meeting in Vienna decided on a reference price of \$18 replacing the basic price of \$18 per barrel. It is only right, therefore, that Indonesia should welcome the outcome of the recent mid-year meeting in Vienna. Minister Ginanjar Kartasasmita said the increase of 67,000 barrels per day will further increase the country's income from the export of oil and natural gas, and will stabilize the national income and expenditure for the current 1989-90 fiscal year. If a stable \$18 per barrel world market price can be maintained, it will mean that Indonesia will receive a bigger income and the 1989-90 national budget will be increased because the budget was based on an income of \$14 per barrel from oil production.

We still need to make greater efforts and be cautious in spite of the positive outcome of the recent OPEC meeting. Through greater effort, we will be able to meet the expected quota demand with optimum benefit. However, we cannot afford to be complacent in our efforts to increase the volume of nongas exports because even though Kuwait and the United Arab Emirates concurred with the decision in Vienna, they will further hold discussions concerning the decision reached in Vienna during the upcoming OPEC meeting to be held in September in Paris.

GOLKAR Chairman Says Party Must Remain in Forefront

42130093c Jakarta PELITA in Indonesian 17 May 89 p 1

[Text] Wahono, general chairman of GOLKAR's DPP [Central Executive Committee], reemphasized that GOLKAR, as has often been proclaimed, must remain in the forefront of meeting the new political culture. Therefore, in line with society's increasing qualitative demands due to the success of Indonesia's developmental process, GOLKAR must move forward and develop; it cannot remain a mere sociopolitical force that is strong for itself alone.

Wahono emphasized this in a dialogue with members of GOLKAR's South Sulawesi provincial executive committee in Ujungpandang yesterday morning. The dialogue, which lasted for 2 hours, was the final activity on the DPP's working visit to Kendari and Ujungpandang from Sunday to Tuesday.

The DPP's chairman believes that there is a close connection between the increased importance of the organization and quality of GOLKAR's cadres and the increased importance of political institutions and the existing bureaucracy's way of running the country. "Our cadres are spread out over all levels. If their quality improves, the environment in which they operate will also become better," he said.

Cadre-ization [Kaderisasi]

Giving as an example efforts to improve the image and importance of the DPR [Parliament], Wahono said that if the FKP [Development Work Faction], GOLKAR's group, which has the largest representation in the DPR, were to increase its importance, it would certainly be easier to increase the desired importance of the DPR itself. "That is why members of the DPR are being urged to work harder and to become more professional," he said.

Wahono underlined the importance of GOLKAR's watching out for the increasing number of challenges to which GOLKAR must respond. The proper way of carrying out those duties is through cadre-ization [kaderisasi]. Closely linked to cadre-ization [kaderisasi], he said, is GOLKAR's task of promoting the people's political education so that the people are made aware of their rights and their duties. "This is the way for us to promote PANCASILA [Five Principles of the Nation] democracy," he said.

Besides the need to improve the quality of cadre-ization [kaderisasi], Wahono also touched on the problems of an open political climate, a culture of frankness, more independence for GOLKAR, and the maintenance of a

sense of community in GOLKAR's larger family of members, all of which are part of the effort to make GOLKAR II's program of Tri Sukses [Triple Success] a permanent reality.

Wahono also emphasized the need for GOLKAR's DPD [Provincial Executive Committees] to make an assessment of the political situation by providing political maps, both on a national and on a provincial scale, ones full of facts and current conditions. For that purpose various trends and tendencies which have political and

psychological importance for the nation and for the state must be watched very closely. This includes new potential voters, who are now about 14 years old.

Accompanying Wahono to Kendari and Ujungpandang were Mrs Mientarsih Wahono, Secretary General Rachmat Witoelar and his wife, Oetoyo Oesman, Drs Freddy Latumahinan, Eric Samola, Andi Mochtar SH [Master of Laws], Drs Slamet Effendi Yusuf, Widjanarko Puspoy MA, Drs A. Baramuli SH, and Drs H.R. Agung Laksono.

Disaster Relief Gifts To USSR

42060055e *Vientiane PASASON in Lao*
17 May 89 pp 1,3

[Text] In the morning of 16 May the central organization of the Lao Front for National Construction and the Lao-Soviet Friendship Society presented 17,883,700 kip to the administrative office of the Council of Ministers for the purchase of more goods to assist the Soviet people who suffered the disaster of the serious earthquake in the republics of Armenia, Azerbaizhan, and Georgia last year.

These funds were collected from the multi-ethnic people, the ministries, sub-ministries, departments, mass organizations, and various businesses and shops. The central organization of the Lao Front for National Construction urgently collected more than 15,680,900 kip, and the Lao-Soviet Friendship Society collected 2,202,786 kip.

On 11 January this year the central organization of the Lao Front for National Construction presented more than 6,606,200 kip to the administrative office of the Council of Ministers to aid the Soviet people of the republics mentioned.

The collection of this aid, although it was not large, nevertheless clearly showed the spirit of fraternal friendship and the close cooperation between the Lao and Soviet peoples. It made the relationship grow and become firmer. This great heritage is constantly producing results and expanding.

Sali, Saman Vignaket at FRG Fete

42060059d *Vientiane PASASON in Lao*
25 May 89 pp 1, 4

[Text] On 23 May 1989 the FRG embassy in Laos held a reception at Lansang Hotel in Vientiane Capital to celebrate the 40th anniversary of the proclamation of its constitution. Mr Sali Vongkhamkhaio, assistant chairman of the Council of Ministers and also minister of economics and state planning and finance, Mr Vignaket, minister of education, culture and sports, and Mr Thongsavat Khaikhamphoun, first vice minister of foreign affairs, along with a large number of ministers, vice-ministers and high level cadres, participated, along with the diplomatic corps in Laos. The party was held in a friendly and creative atmosphere.

Columnist Views Cambodia Developments

42060059b *Vientiane PASASON in Lao* 24 May 89

[Article by Leut Saisana: "Which Side Is Sincere in Solving the Cambodian Problem?"]

[Excerpts] The political solution of the Cambodian problem was first initiated by the government of the State of Cambodia. This can be seen in the announcement of the solidarity policy on 27 August 1987. [passage omitted]. Since that time the government of the State of Cambodia

has not relented in its efforts to obtain a political solution to the Cambodian problem at both the first and second Chinese conferences and in the joint announcement of the three Indochinese countries regarding the complete withdrawal of the Vietnamese volunteer troops from Cambodia by the end of September this year [passage omitted].

Those who do not understand the good intentions of the government of the State of Cambodia often slander us by claiming that the Hun Sen government has modified the constitution because it wanted to please Prince Sihanouk, thereby being able to drag Sihanouk in as its puppet in solving the Cambodian problem. Mr Hun Sen, chairman of the Council of Ministers of the State of Cambodia, claimed at the news conferences in Phnom Penh on 29 April that "the modification of the constitution is the foundation for the policy of building solidarity. We will do everything possible to prevent any danger of the possible return of the genocidal Pol Pot regime" [passage omitted].

This fact has become a signal to remind us of who really plays the important role in obtaining a political solution to the Cambodian problem. The moves made by the government of the State of Cambodia are deserving of the support of people who love justice throughout the world, and of the trust of the Cambodian people who have just escaped the terrible tragedy of the genocidal Pol Pot regime. However, why was this action denied by the opposition which had no land in Cambodia even the size of a hand? Those who support the opposition are probably more lacking in common sense, because the actual situation in Cambodia would not allow them to hold such a view.

Electricity Sales to Vietnam, Thailand

42000142c *Bangkok BANGKOK POST in English*
5 Jun 89 p 15

[Text] Laos plans to produce more electricity for sale to Vietnam, its socialist ally.

Industry and Handicrafts Minister Soulivong Dalavong hinted that a number of electrification projects, most likely hydropower, were being considered by the state-run Electricite du Laos. Details of the projects were not disclosed.

The projects would support Laos' attempts to seek more overseas outlets for its surplus electricity, rather than relying solely on Thailand. Mr Soulivong said there was a large demand for electricity in Vietnam.

Thailand is expected to remain the biggest market for Laotian power exports, the country's major foreign-exchange earner.

The Electricity Generating Authority of Thailand purchases some 120 megawatts of Laos' Nam Ngum hydropower plant's 150-MW capacity. Laos' domestic consumption is about 30 MW.

Laos has also signed an agreement to sell EGAT about 70%

of electricity generated by its Xeset project in Saravane. The remaining 20-30%

will be for domestic use.

Construction of the 45-MW Xeset hydropower plant began early this year using \$60 million in funding from the Asian Development Bank, United Nations, World Bank and Sweden. Completion is slated in 1991.

The Xeset power would not be sold to Vietnam because it is too far away, Mr Soulivong said.

Thai Investment, New Bank, Currency Value
42000142a Bangkok THE NATION in English
20 May 89 p 13

[Text] The Laotian government, adopting an open-door policy, has approved more investment from Thailand, allowing Thai businessmen to invest in the airline and banking businesses.

VSS Imports and Exports Co Ltd, a Thai trading firm, has been given permission to jointly invest in the Lao Pacific Airlines, Lao Pacific Bank and Vientiane First Bank, according to Sudaduang Kamnerdphet, vice president. The investment will be in the form of joint venture, in which the Laotian government will hold 30 percent shares and the Thai businessmen the rest.

She said the company is expected to open its banking operation by October this year. The Lao Pacific Bank will be backed with a registered capital of Bt500 million, while the capital of the Vientiane First Bank is not revealed.

Sudaduang said negotiation is under way between her company and the Laotian government on the joint venture in the airline business. ACM Surayudh Nivas-abutr, a vice president of VSS Imports and Exports, on Thursday travelled to Laos to finalise the deal.

She added that her company also has a plan to invest in the department store business in Laos, using the name Kamphaeng Nakhon Vientiane. The business will be a joint venture with a local Laotian, who owns the piece of land in the Laotian capital.

Also, Khunying Suwannee Phuaphairoj, a well-known businessmen in Nakhon Rachasima and Khonkaen, has received a licence from the Laotian authorities to open a commercial bank, called Ruam Pattana Bank, which will need more than Bt100 million in investment.

It is more flexible for businessmen to participate in the banking joint venture with the Laotian government because they are not subject to any regulation by the government. It is different in the case of established commercial banks, which need policy clearances from the Bank of Thailand to open their foreign branches or representative offices.

It has been reported that the Thai Military Bank has been awarded a license from the Laotian government to open a representative office in Vientiane, though the bank needs approval from the central bank before any further action can be taken.

At the same time, the Thai government have been asked to ease the Thai investment in the Indochinese countries. The Revenue Department has clarified that any trade activities with the Indochinese countries can be tax deducted, though a problem arises over the reference standard of the Indochinese currencies.

The department said foreign investment undertaken by Thai companies will not be subject to business tax payment, but the companies will have to pay income tax in Thailand and can display any bills spent in the Indochinese countries as evidence for tax deduction.

The bills should consist details of necessary spendings that can be recorded in the accounting book, justifiable for consideration. This clarification has been addressed to the investment activity of Sri U-Thong, an electrical firm which has won a contract to build electricity substations and high-voltage power lines in the country.

The company also asked how it could evaluate the kip currency against the Thai baht, to which the Revenue Department answered that while waiting for accounting clearances, the company should calculate the value of the kip against the baht on the day that the business takes place.

At present, it is still inconvenient to conduct trade in the Indochinese countries because their currencies are not accepted by the international markets. However, the central bank is quoting the exchange rates of the Indochinese currencies by relying on the table provided by the Financial Times Service. The company quotes the Indochinese currencies against the U.S. dollar once every two weeks, from which the central bank further cross-rates.

For instance, the April 28 table of the Financial Times indicated that 430 kip was equivalent to U.S. \$1; 4,497 Vietnamese dong to Bt5; 1,000 Vietnamese dong to Bt5; 6,719 kyat to U.S. \$1; 1 kyat to Bt3.85; 100 Cambodian riels to U.S. \$1; 1 Cambodian riels to Bt0.25.

The Thai market has yet to accept the Indochinese or Burmese currencies because most of the border trade is conducted with Thai baht or in the case of logging the U.S. dollar. Trade with Vietnam is largely in the form of barter trade, with some usages of the baht and dollar.

The Revenue Department is also quoting the exchange rates of other currencies, a service for the tax payers. This month the department indicates that 1 kip is equivalent to Bt0.0591; 1 Vietnamese dong to Bt0.0065; and 1 Burmese kyat Bt3.1824.

Oil Exploration Talks Open

*42000142b Bangkok BANGKOK POST in English
5 Jun 89 p 15*

[Text] Laos is negotiating with four international oil companies for the rights to explore for and produce petroleum in this largely unexplored landlocked country, according to Industry and Handicrafts Minister Soulivong Dalavong.

The names of the companies were not disclosed, but Mr Soulivong said at the weekend they were all multinational oil firms based in either the United States, France or Britain. The four are the first batch of international oil firms making inroads into Laos following Vientiane's recent economic reforms welcoming foreign investment. Mr Soulivong said the hydrocarbons potential in Laos was almost unknown due to the absence of exploration activities, but the four international companies had applied for blocks covering an area of "several tens of thousands of square kilometres" in the country's central and southern regions where prospects appear good.

The agreements under negotiation cover both oil and gas and are proceeding on a "production-sharing" basis.

Due to the lack of legislation governing this activity, terms will be individually drawn up as agreed by each company and the Laotian authorities. They will be broadly based on the Foreign Investment in Laos Laws which took effect on July 25 last year. Mr Soulivong said his ministry had studied the oil terms applied in other countries but would not follow any particular pattern.

"We have opted to do it our own way," the Canadian-educated minister said.

He said the firms now under consideration were sufficient to keep Laotian negotiators busy, when asked whether his country would invite other international oil firms to negotiate for oil licences.

Commentator Discusses Khmer Rouge Use of Thailand

*42060055a Vientiane PASASON in Lao
11 May 89 pp 3,4*

[Report by Leut Saisana: "The Khmer Rouge Have No Future"]

[Excerpt] [Passage omitted] As everyone knows during the more than 10 years that the Khmer Rouge have taken refuge along the Thai border, their situation has become

steadily worse. They drove hundreds of thousands of farmers along with them who are now starving and weak, and large numbers of them are dying. Their armed forces are being attacked, scattered, and destroyed in every place where they take refuge. But they have not given up their goal and hope of regaining their former position by joining in talks with leaders of other factions. But the situation does not make it easy for them.

Recently they held a ceremony to receive credentials from foreign envoys in the Thai-Cambodian border area with the aim of creating a role for themselves which was called: "the Democratic Coalition Government of Kampuchea". This sounds good, but most people know where this ceremony took place. And this theater act will not bring things back for them.

The peace-loving people and the Cambodian people, who want to escape from the sorrowful drama of the genocidal Pol Pot regime, know well that the ones who block the way to a Cambodian solution are the Khmer Rouge. After he returned from meeting with Prince Norodom Sihanouk in Jakarta, Mr Hun Sen, the Chairman of the Council of Ministers of the Cambodian government, announced that there should be a complete cease-fire after the Vietnamese soldiers withdraw from Cambodia in September. If the other groups do not cease fire, then his group alone will cease fire. Prince Sihanouk has responded that he agreed with this announcement. Only Khieu Samphan, the head of the Khmer Rouge, has refused. What then is the objective of the Khmer Rouge?

Their objective will not be achieved because the situation around Cambodia will not permit a continuation of the warfare. The fate of the Khmer Rouge is inevitable destruction. They will have to be eliminated as world opinion now demands. Of this there is no doubt.

UNDP Aid Agreement Signed

42060055d Vientiane PASASON in Lao 17 May 89 p 1

[Text] On 16 May 1989 the papers were signed for a free assistance project by representatives of the Lao People's Democratic Republic [LPDR] and the UN Development Program [UNDP] in the amount of \$553,400 (American).

This project will help improve the training of mid-level Lao specialists for developing agriculture, animal husbandry, and the use of agricultural equipment in the central provinces of the country. UN officials will send one agricultural training specialist and, for a short period, several more specialists to train cadres and instructors both in this country and abroad, and they will also send the equipment necessary for the training.

This assistance program will be carried out by the UN Organization for Technical Cooperation and Development. The governmental unit which will cooperate will be the Ministry of Agriculture and Forestry.

Mr Mali-gna Sai-gnavong, the head of the Department for International Organizations of the Foreign Ministry, represented Laos in signing the agreement. The representative of the UNDP in Laos, Mrs Carol Long, signed for her organization.

Champpassak Bank Loans, Interest Rates, Policies
42060055f Vientiane PASASON in Lao 17 May 89 p 3

[Report by Oupasak: "The Champassak Province Bank Has Begun Providing Services"]

[Text] During 1989 the credit branch of the Champassak Province Bank made loans totaling 345 million kip. Short-term loans totaled 332 million, and long-term loans totaled 13 million kip. The interest was calculated according to whether the capital was used for circulating capital or fixed capital. If it was used for agricultural activities, the interest rate was 10 percent. If it was used as fixed capital, the interest rate was 6 percent. During the same period we were repaid 282 million kip; the remainder was the long-term loans which were made. As for repayments in 1988, the credit provided customers amounted to 3 billion 264 million kip while 2 billion 884 million kip were repaid. The remainder was long-term debt, and of this 584 million kip has not been scheduled for repayment at all - this was debt of state collectives.

Of particular interest in 1988 the credit branch experimented with providing more than 70 million kip of credit in Paksong District in connection with 2,118 hectares of coffee trees. The loan was repaid 100 percent. The procedure used here is one from which many provincial banks can draw lessons. In this regard Comrade Hong, the head of the credit branch said that: "Initially we went out and registered the [coffee] grove families on the Bolovens Plateau. Then we developed a detailed economic plan for each family and thus were able to learn the extent of the needs of the families and what was appropriate. The bank then made loans available according to the experiment, and it was a success.

At present we are still having them register the grove tenders and organize groups of farmers for additional loans because according to the plan for 1989 we must still make loans primarily for agriculture in order to encourage production. According to the resolutions of the Council of Ministers, trade, transportation and construction are secondary.

At the end of a discussion the same day Mr Roui Thoummalavan, the head of the Champassak Province Bank said that: "In the past we did not dare to loan money for agriculture because the cooperatives were just models; they were not really complete. If they were loaned money, it was difficult to get it back. But this year we will make 270 million kip available to encourage agricultural production. Soon our bank will become a business. We have prepared our data and reorganized from the administrative level to the working unit. We are just waiting for the announcement. We are already

conducting business - we have divided our deposits into two systems: business funds and budget funds. If someone wants to withdraw funds from the bank, we pay 100 percent directly; he can get whatever portion he requests. If someone wants to borrow money, he is welcome; he just has to follow the bank's rules. It is easy."

'Independent' Bank Production Loans, Interest Rates

42060059e Vientiane PASASON in Lao 25 May 89 p 1

[Text] On 24 May the board of directors of Setthathilat Bank told our reporters that since October 1988 the bank has loaned over 56 million kip or 80 percent of the plan for agricultural production (rural credits). Farmers in Hatsaifong District received loans for 17 million kip for growing tobacco and over 39 million kip went to the people in Saithani and Sikot districts for rice and secondary starchy crops.

Meanwhile, 40 percent of the loans have been paid back to the bank. It received 90 percent payment from tobacco growing, and it is expected to get all of its payment back in May.

The bank has charged an annual percentage rate of 12 percent for its agricultural production loans. In this year's plan for wet rice production the Setthathilat Bank will disburse 70 million kip in loans to accelerate rice growing in 500 hectares, to expand 100 hectares of new rice fields, and to grow industrial crops on 209 hectares.

Comrade Sengdeuan Pangnasit, assistant chief of the board of directors of the bank, said that the distribution of paper shares has been carried out actively since January 1989. On 8 May 1989 the bank was able to sell 15 million kip worth of shares by charging the share buyers 3 percent interest per month. From 8 May 1989 to 23 May 1989 the bank has been able to sell 43 million kip worth of shares by charging a 5.5 percent interest rate. This means that the number of shares sold has nearly tripled and the bank has charted the borrowers 7 percent per month.

Setthathilat Bank has been experimenting on changing to business since 14 October 1988. It is an independent bank, and has become very active in finance in Vientiane Capital.

7th Plenum Extract on Socialism-Capitalism Conflict

42060059c Vientiane PASASON in Lao 24 May 89 p 2

[Article: "What Is at the Heart of the Furious Dispute in Our Country at the Present Time?—Extracted From the 7th Plenum"]

[Text] We have previously understood the fundamental conflict in society at the present time as the conflict between socialism and capitalism. The question we have is that if we want to step up to socialism, does the key lie

in immediately solving the conflict between socialism and capitalism, and between collective mastery and the right of the private sector? This is a misunderstanding. Of course we have to resolve the conflict between these two paths. We must differentiate socialism from capitalism. However, in our society today this conflict is not a priority.

If this is so, what is the serious conflict in our country today? The answer is that the production forces have remained too backward for the needs of production to expand and for the increasing demand from all sectors of our society. In order to achieve this we must liberate the forces of production from their involvement with the old society that holds us back (such as dynasties and scattered living which are remnants of feudalism), and we must liberate them from the effects of the blockade and destruction from outside and the secret destruction from the inside. We must also liberate the forces of production from the feudal and subsidized business management which today are the primary obstacles. We must specify from the start the expansion of the productive forces. This means to let them expand according to the party and the state laws. For example, the problems of tree-cutting or circulating goods freely and illegally are incorrect expansions in the productive forces.

Only if we can clearly specify the primary conflict and the needs for the expansion of the productive forces will we have a correct direction and set the policies that will boost production, and that will set the conditions to change the natural and semi-natural economy to a goods economy, raise the people's standard of living, and bring about the unity of the productive relations and the productive forces. This is the socio-economic content of the evolution of the people's democratic regime as it advances toward socialism.

Mitsui Gift for Rescue of Businessman

42060059a Vientiane PASASON in Lao 24 May 89 p 1

[Text] On the morning of 23 May 1989 a ceremony was held at the Ministry of Foreign Affairs to hand over 1,400 kg of aid worth \$24,302 from the Mitsui Company of Japan in gratitude to the LPDR [Lao People's Democratic Republic] government for the rescue of Mr Asao, the Mitsui representative who had recently been captured.

Representing the Lao side was Mr Phanthong Phommasai, chief of the Information Department of the Ministry of Foreign Affairs, who received the aid. Mr Yasua Nakamura, the planning and cooperation manager of the Mitsui branch in Bangkok, represented the Japanese side in handing over the aid. Also present was a number of interested cadres from both sides.

Vientiane Capital Bank Loan Activity, Projects

42060055c Vientiane PASASON in Lao 18 May 89 p 2

[Excerpt] In the spirit of resolutions No 6 and 7 of the fourth party central committee concerning the need to actually go out to the countryside, the mountains and the

grassroots and in particular concerning the policy of increasing the investment in agriculture and forestry so as to increase the technical base for these branches, since July 1988 the credit unit for the countryside of the Vientiane Capital Bank has brought their credit activities directly to the farm families in order to serve production according to the season. At present they have made loans amounting to more than 72,900,000 kip and will increase the total this month by more than 48,300,000 kip.

They are authorized to loan more than 121 million kip for wet season production this year. The goal for loans for land preparation is 33 million kip, for fertilizer and manure: 23 million kip, for seed: 100,000 kip, for chemicals to control plant pests: 1 million kip, for new farmers and clearing land: 44 million kip, for draft animals (water buffalo): 13 million kip, for production equipment: 1 million kip, and for field rations etc.: 4 million kip.

In summary, since July of last year until 15 May this year, the Vientiane Capital Bank has been able to arrange credit in seven areas throughout the Vientiane Municipality. They served 144 villages. There were 279 groups involving 2,675 families which received loans of 123,900,000 kip and which were able to repay 25,000,000 kip according to schedule. The debt which was not due and was not repaid amounted to 98,913,100 kip. [passage omitted]

Difficulties in Economic Rationalization at Grassroots

42060055b Vientiane PASASON in Lao 18 May 89 p 2

[Excerpts] In one section of the Party Central Committee's resolution No 7 it specifies that: in order to carry out the policy of the party to help the farmers and to create the conditions so that farmers can use the land effectively and produce a large output, we must set up a business system providing two-way service to every farm family in every area immediately. [passage omitted]

But in fact two-way service has not changed as much as it should have. In fact at present agricultural production still lacks ordinary tools, the chemicals and the sprayers to administer the chemicals to suppress plant pests, fertilizer.... The farmers did not receive the materials and equipment to perform the intensive agriculture for the wet season rice of 1988. The provinces in the South (Champassak, Attopeu etc.) suffered heavy losses to their wet season rice crop from pests, but they did not have chemicals or sprayers. Even more serious the agricultural production of the farmers was not purchased (for example: manioc, corn, beans of all kinds...) or if it was purchased, the price was not an incentive or the farmer would not accept it etc.

Therefore in order to achieve better results in this year's wet season not only must the major policies be put into effect but we must also have some standards, and one of these should be two-way service for every farm family with the appropriate concept, responsibility and system.

Two-way service consists of inputs and products. The inputs are services which supply vehicles, production materials and tools for the farmers, loans, and technical assistance. These help the farmers with their production. In addition various goods are supplied such as construction materials and consumer items for those places where they are not available in order to assure that the living standards are good and that the conditions are right for the farmers to produce. The product refers to the requisitioning of various kinds of production goods such as: crops, livestock and fish, forest products,

products which are the raw materials for industry, processed products from agriculture and forestry, and handicrafts. These goods are distributed to the domestic markets and are exported; they supply the needs of the state and society.

Two-way service requires an appropriate system. The system for two-way service for the farmers now is conducted using business methods, market prices and the approval of buyers and sellers. The selling price and the buying price are arrived at in such a way that there is an appropriate rate of exchange between inputs and products. This assures goods for both sides and facilitates the policy of making it convenient for farmers to borrow funds or get advances. The business relationship is conducted by buying and selling, and payments are made in each case or according to two-way obligations. Farm families can order any type of good they want including machinery, spring driven items, televisions, radios with tape players, motorcycles.... All this depends on their selling to the state. [passage omitted]

Sultan of Pahang Openly Supports UMNO

42130098b Jakarta PELITA in Indonesian 2 Jun 89 p 9

[Text] Under the Malaysian Islamic monarchy, a sultan is expected to avoid involvement in political affairs. Because the people and their ideologies express loyalty to the sultan, the sultan is expected to stand for all the people without taking the sides of any political group. This expectation is one of fairness.

Last Monday [29 May], however, the sultan of Pahang called on members of the Spirit of 46 to rejoin UMNO (United Malays National Organization).

The sultan, who is a former paramount ruler of Malaysia, said that UMNO is the only party capable of uniting Malays and fighting for the interests of the people and the country.

These UMNO dissidents, now associated in an organization called the Spirit of 46, apparently were not pleased to hear this statement by the sultan of Pahang, for they feel he is now no longer neutral but takes the side of UMNO.

They accuse the National Front (BN), of which UMNO is the largest and leading party, of involving the sultan in national politics.

In a statement last Wednesday [31 May], the secretary of the Spirit of 46 in Pahang, Ahmad Mokhtar Mohamad, said the BN action will ruin the good image of the sultans in the Islamic monarchy.

The Spirit of 46 is an unofficial group of former UMNO members who refuse to acknowledge the leadership of Prime Minister Datuk Seri Dr Mahathir Mohamad.

They also oppose UMNO (New), which was formed by Mahathir after UMNO (Old) was dissolved for having illegal branches, i.e., branches not registered with the country's Department of Home Affairs.

According to observers, what the sultan of Pahang did has never before occurred in the political arena of independent Malaysia.

No commentary has yet been obtained from Tengku Razaleigh Hamzah, leader of the Spirit of 46, because he is on an overseas trip. Razaleigh once tried to remove Dr Mahathir from UMNO leadership but failed.

The call to join UMNO was issued by the sultan of Pahang at a reception held at Abu Bakar Palace to welcome the return to UMNO of about 200 Spirit of 46 members in that state who had previously deserted the party.

They were led by the sultan's nephew, Raja Abu Bakar Shah, who had been head of the Spirit of 46 youth group in Pahang.

UMNO sources in Pahang said that the sultan's appeal apparently was intended to neutralize the support given to the Spirit of 46 opposition group by several members of his family.

Still Holds Back

The youngest brother of the sultan, Tengku Azlan, is the leader of the Spirit of 46 in Pahang, and one of his sisters heads the Spirit of 46 women's organization in the Pekan division. One of his sons is the leader of the Spirit of 46 youth organization in Kuantan. In addition, a member of the sultan's family in Terengganu has close ties with the Spirit of 46 as an adviser.

Ahmad Mokhtar said also that the Spirit of 46 has appointed a member of the sultan's family in Negeri Sembilan to head its women's organization in that state.

Of the nine Malaysian sultans, only the sultan of Kelantan has been accused by UMNO of siding with the Spirit of 46. The sultan of Kelantan is the nephew of Tengku Razaleigh.

So far, however, he has held back from making public statements on the rivalry between UMNO and the Spirit of 46, which takes its name from the year in which the original UMNO was founded.

The appeal by the sultan of Pahang came only 1 day after a small BN member party, Berjasa [Malaysian Islamic Council Front], declared that it was leaving the BN and joining with the Spirit of 46.

The president of Berjasa, Datuk Wan Hashim Wan Ahmad, said in a press conference last Sunday [28 May] that his party was not satisfied with the coalition and therefore would support the combined force of PAS [Pan-Malaysian Islamic Party] and the Spirit of 46 in preparation for the next elections.

Berjasa took three years to make the decision after realizing that harmony no longer existed in the BN and that the situation could not be corrected, said Datuk Wan Hashim.

Berjasa will support the combined force of PAS and the Spirit of 46 in the Islamic Unity Front after it is registered.

They will be supporting the opposition in the upcoming Teluk Pasu by-election, Datuk Wan Hashim said.

Berjasa was formed by PAS dissidents in January 1978 after a split in the Islamic party's leadership.

Berjasa joined the BN in 1980 and in cooperation with UMNO was successful in forming a Kelantan state government in 1982.

In 1986, however, Berjasa decided not to take part in the general elections because of dissatisfaction growing out of acceptance of a new party, Hamim [Muslim Front of Malaysia], into the BN. Berjasa held that Hamim should first demonstrate its usefulness before joining the coalition.

Since then, Berjasa members have supported the opposition in several by-elections.

Sabah's Barter Trade Faces Competition From Singapore

42130098a Jakarta *ANGKATAN BERSENJATA*
in Indonesian 27 May 89 p 8

[Text] Contact any shop or restaurant in Labuan, a Malaysian port in Borneo (North Kalimantan), and you will probably find that they have Philippine pesos.

The reason owners of stores and restaurants keep Philippine pesos is not because they are money changers. They are merely among the thousands of residents of this island who benefit directly or indirectly from the profitable barter trade between duty-free Labuan Island and the Southern Philippines.

Although industry is flourishing, this barter trade is the main money maker for Labuan, an island located west of Sabah. It is difficult to get accurate figures, but sources say that in 1987 alone goods worth more than \$50 million changed hands between Philippine and Malaysian traders here.

Traders from Zamboanga and Jolo in the Southern Philippines exchange goods such as copra, rattan, coffee, cooking oil, and handicrafts for textiles, canned food, electrical appliances, and electronics from Malaysia.

Sources say that this trade has developed from decades of smuggling by traders in the Southern Philippines, since Sabah is closer than main port areas in the Northern Philippines.

After years of failure in their efforts to stamp out this smuggling, Philippine authorities opened legal barter trade areas in several southern cities, mainly Zamboanga, which lies about 200 miles northeast of Sabah and 550 miles south of Manila.

"Legal" barter trade with the Southern Philippines began in 1956 when Great Britain, which at that time ruled Malaya and North Borneo, restored the duty-free status of Labuan, according to Muhamad Terlis, 62, who said he was one of the pioneers of such trade.

This situation caused traders from the city of Sandakan on Sabah's east coast to transfer their operations to Labuan.

"They flocked to Labuan because they would not have to pay 10 percent duty on copra exports from there," he recalled.

Then, rather than taking home cash after selling their copra, Philippine traders bought textiles and other goods in Labuan because of their lower prices.

Philippine traders, who made the trip by wooden boats called "kumpits," found that they made two-way profits. Thus, trade developed rapidly as even more traders took part in these activities.

When in the 1960's copra exports from Labuan approached 80,000 bags each month, Philippine authorities issued a ban on copra exports to Labuan. This action was no hindrance to barter traders, who moved to new products, such as cooking oil, coffee, soap, handicrafts, and many other types of goods.

Now, however, the significance of Labuan in barter trade with the Southern Philippines is experiencing serious threats from Singapore, which appears to be successful in seizing most of the trade.

Business sources in Labuan say that several "big shot" entrepreneurs with offices in Manila and Singapore have moved their business operations from Labuan and are buying goods in large volumes direct from Singapore and are flooding markets in the Southern Philippines with these items.

They say that at least five sail-powered cargo ships, each carrying cargo worth \$6 million, go back and forth between Singapore and the Southern Philippines. Kumpits (motorboats) coming to Labuan can only carry cargoes worth \$400,000.

These sources say that some Philippine traders prefer to sell to Singapore, "which because of its large markets can easily absorb all Philippine goods."

Philippine traders have complained for years that they buy more than they sell in Labuan. What they want is balanced trade.

A small number of the 100 barter traders who had licenses in Labuan in the past are acting as agents on commission for suppliers of barter trade goods from Singapore.

Local business agents in Labuan explain that Singapore suppliers have been successful in making direct contact with Philippine traders and have skipped Labuan. "This has had an effect on small traders in the Southern Philippines as well as on business in Labuan."

"Many local businessmen have folded up because they were not able to compete with big businesses from Manila and Singapore. Small barter traders in the Southern Philippines have also been affected by the takeover of business by the 'big shots,'" said a local trader, who was not willing for his name to be used.

He added, "If this situation continues, it will be a crippling blow to this international trade and will also have a negative effect on Labuan's economy."

Philippine authorities, too, are reportedly worried about the situation. A Manila press report recently received in Labuan quoted government officials as saying that the barter trade will be abolished entirely in 1991.

The report also said that Philippine Minister of Defense Fidel Ramos feels that the barter trade is no longer as beneficial to the people as originally intended, because "big businessmen from Manila, Cavite, and Cebu have now jumped in and big syndicates have taken over the trade."

Zainudin Awang Ngah, head of government and chairman of the Labuan city council, pictures the report that the Philippine Government is to completely abolish barter trade as "disturbing."

He said the Malaysian Government has always encouraged this barter trade.

Barter traders in Labuan also state their surprise at the report, and business officials on the island say that officers of the Labuan Chamber of Commerce will discuss the issue with their colleagues in the Philippines.

"What we must do is free ourselves from the 'big shot businessmen' and not abolish the barter trade," one businessman said.

Liaw Thien Tsu, secretary of the Chinese Chamber of Commerce in Labuan, whose members are some of the barter traders, told DEPTH NEWS that the chamber has asked the Malaysian Government to help in discussing the issue with the Philippine Government in order to ensure that the barter trade will continue.

He feels that many Philippine traders, especially those operating big ships, are bypassing Labuan on their way to Singapore. These big ships are unable to use the port at Kerakit, located on an island north of Sabah, where such ships must undergo security inspection before proceeding to Labuan.

"Since these ships are heavier than 500 tons, they cannot anchor in the shallow waters at Kerakit," said Liaw. He added that these big ships have no choice but to sail to Singapore to sell their goods.

All barter ships from the Southern Philippines must be inspected at Kerakit, where all traders must surrender their firearms. This action is a necessity for stopping the flow of firearms into Sabah, said Malaysian security officers.

These officers said many firearms were smuggled into Sabah during the height of the civil war between Philippine forces and Muslim fighters seeking independence for the Southern Philippines.

Sabah also accommodates about 300,000 Philippine Muslim refugees, most of whom arrived in the state during the early and middle 1970's.

Earlier press reports quoted officials of the Philippine Department of Defense as saying that the barter trade can be a means of smuggling firearms into the Southern Philippines.

The Philippines had previously charged that Sabah, which has long been claimed as Philippine territory, was used as a port of call for the shipping of firearms into the Philippines by third countries.

Liaw hopes the Malaysian Government will be willing to permit barter trade ships larger than 500 tons to sail directly to Labuan.

"The security inspection of ships can be done just outside Labuan by Sea Police officers," he suggested. "The transfer of the security inspection to Labuan will mean additional business for barter traders here, who are now in a difficult time."

Liaw proposed to the Malaysian Government that Philippine rice, which he said is cheaper and better and is a popular commodity for smugglers, be permitted as one of the barter commodities. Rice is a controlled commodity in Malaysia.

He said that if the Malaysian Government would put Philippine rice on the barter trade list, the action would help to stabilize the balance of trade.

Government To Maintain Ban on Political Rallies
42130097b Kuala Lumpur UTUSAN MALAYSIA in
Malay 20 May 89 p 1

[Text] Malacca, 19 May—The government does not plan to permit public rallies during future election campaigns, Deputy Prime Minister Ghafar Baba said today.

The important point is that the government wants to protect the safety of the public, he told reporters today following presentation of gifts and contributions to the 1989 Jasin Goodwill Race here.

Ghfar said this when asked to comment on a statement today by the secretary of the Elections Commission (SPR), Haji Abdul Rashid Abdul Rahman, that the SPR will discuss the matter with authorities.

Ghfar said with regard to the statement, "The SPR does not know about public safety. Democracy is not necessarily hindered if there are no public rallies."

Public rallies have been banned since the end of the 1960's, after political parties raised sensitive issues.

Meanwhile, the head of the UMNO [United Malays National Organization] Youth Movement, Datuk Sri Mohamad Najib Tun Razak, said today that the recommendation of the SPR was not appropriate, because public rallies could create tensions if certain people were to raise sensitive issues during campaigns.

"Tensions cannot be avoided if sensitive issues are raised by certain people in campaigns. Therefore, it better that the recommendation for public rallies be

withdrawn," he said to reporters after inaugurating a seminar on "Language and Literature in Kelima [fifth] Education" at the Language Council (DBP) in Kuala Lumpur.

Datuk Sri Najib said he feels that the present type of election campaigning, which is conducted from house to house and includes the sponsoring of speeches open to everyone, is better.

The DAP [Democratic Action Party] has also recommended that the ban be lifted so that public rallies can be held during the next election.

In a statement today about the SPR recommendation, DAP Deputy Secretary-General Lee Lam Thye said his party has asked the Ministry of Home Affairs to lift the ban, because there is no provision for permitting continuation of it.

With regard to the SPR's massive drive beginning this Sunday [21 May] to register voters and examine voter lists, he said the SPR must take steps to ensure the drive will not meet with failure.—BERNAMA

Cooperation With Laos on Tourist Industry in Cambodia

42000143 Bangkok *THE NATION* in English
19 May 89 pp 13, 14

[Excerpts] The Tourism Authority of Thailand [TAT] is pressing to make Thailand the hub of tourism activities for Indochinese countries including Burma. The agency has completed a preliminary survey of all countries in the vicinity.

Seri Wongpajitr, the TAT deputy governor, accompanied by the military recently visited Cambodia to assess the tourism potential.

He said yesterday that apart from ongoing political obstacles, the Phnom Penh government was willing to accept assistance from TAT to develop its tourism industry. [passage omitted]

Seri said visits to Cambodia could be made without overnight stays since the country lacked hotel accommodation. There is a four-star hotel at Seam Reap Province but it only has 60 guest rooms.

He disclosed that a group of Singaporeans was investing in a 350-room hotel named Cambodiana at Seam Reap which is located close to the Thai border. The project will be completed in August and an expansion with another 350 rooms is planned for in 1990.

A group of Thai investors was also putting up money in a hotel project adjacent to the Cambodiana, the TAT deputy governor said.

He asserted that the tourism operations in Cambodia remained expensive. After a three and a half hour visit to Nakorn Thom and Angkor Wat costing about U.S. \$150 Seri described it as 'unreasonable'. He added that the matter would be discussed at subsequent meetings on Thai-Cambodia tourism development.

TAT Governor Dhamanoon Prachuabmoh said the tourism development between Thailand and Laos was under the responsibility of a joint committee which is headed by Acting Thai Supreme Commander Gen Chavalit Yongchaiyudh and Laotian Army Chief Sisavas Kaoboonphan.

He said the cooperation would proceed on the government-to-government basis and all business activities must be screened by the committee. He said the Thai side has told the Laotian counterparts that both parties should benefit from the tourism development for fairness.

Both sides are jointly drawing up tourism development plan. A survey of the Mekong River and towns located on both banks has been made. The cooperation will also cover manpower training, cultural exchange and sporting activities.

Dhamanoon asserted that tourism development in Indochina would benefit Thailand. TAT would have more variety to offer and bargaining power to compete with other regions.

He said Cambodia has the highest potential for tourism development in which Thailand would play a key role in attracting tourists to the region as the country has readily available facilities as well as finances and experience.

The governor expressed hope that cooperation could be established with all countries in the region including Burma, Vietnam, Cambodia and Laos to promote tourism during the next four years or even as long as 10 years. The cooperation would enable countries in this region to compete with the North Asian countries comprising South Korea, Taiwan, Hong Kong and Japan.

Trade Deficit, Exports, Imports All Rise

BK2906060189 Bangkok *BANGKOK POST* in English
29 Jun 89 p 15

[Text] Thailand had a 51,132-million-baht trade deficit in the first five months this year, up 43 percent over January-May 1988.

The Bank of Thailand said exports in the period rose 33.6 percent and imports 35.4 percent.

The service and unrequited transfer accounts ended in surplus, giving a current-account deficit of only 14,817 million baht.

However, the net capital inflow in the period nearly doubled that of the same period last year, so the balance of payments was 47,904 million baht in surplus, or twice that of last year.

The trade deficit in May alone was 10,400 million baht and the current-account deficit [was] 4,700 million baht.

The country's reserves stood at 8,654 million baht at the end of May.

Bank Analyzes Changing Structure of Economy

BK2706150389 Bangkok *BANGKOK POST* in English
27 Jun 89 p 16

[Text] The structure of the Thai economy has changed dramatically in the last two decades from dependence on a very narrow range of products to much greater diversity.

Thai businessmen still need to adapt further, however, to keep pace with sharpening competition, increased trade protectionism and remarkable developments in science and technology.

The Bangkok Bank Research Office recently analysed changes in the structure of the Thai economy and found that gross domestic product [GDP] (at 1972 prices)

trebled between 1970 and 1988, from 155,694 million baht in 1980 [date as published] to 299,472 million baht in 1980 and 495,374 million baht in 1988.

Manufacturing increased five-fold from only 24,893 million baht in 1970 to 114,038 million baht in 1988, while agricultural production doubled from 42,064 million baht to 83,772 million baht; the trade sector soared from 27,074 million baht to 84,613 million baht and the service sector from 17,854 million baht to 69,415 million baht.

The contribution of agriculture to the GDP in 1988 fell to 16.9 percent from 27 percent in 1970. Crops accounted for about 63 percent of agricultural production throughout the period, while animal husbandry and agricultural processing grew in importance from 9.9 percent and 9.3 percent of the 1970 total to 14.6 percent and 11.9 percent, respectively, in 1988. Fisheries and forestry fell in importance from 7.7 percent and 6.4 percent to 5.1 percent and 2.9 percent, respectively.

Although crop production has maintained its importance throughout, the variety of crops has diversified greatly from rice, maize, rubber and vegetables to many other items. Tapioca production rose from just 939 million baht in 1970 to 4,138 million baht in 1988, sugarcane from 477 million baht to 2,408 million baht, pineapples from 261 million baht to 1,133 million baht and orchids from 13 million baht to 195 million baht. Animals husbanded continue to be poultry, pigs and cattle.

The contribution of manufacturing to GDP increased from 16 percent to 23.1 percent during the period. The role of foodstuffs, beverages, tobacco and timber products fell in importance, while the new items include textiles and garments, leather goods, chemicals and electrical appliances.

The trade sector's contributions remained at about 17 percent throughout the period, while that of the service sector rose from 11.5 percent to 14 percent, this growth being chiefly accounted for by the restaurant business and education which contributed 32.7 percent and 27.4 percent, respectively, of total GDP contributed by the service sector.

The Bangkok Bank Research Office foresees crops continuing to be important in the agricultural sector due to geographical and meteorological advantages. However, crops are rather homogeneous wherever they are produced, have little value added and involve high risks. Many countries are also stepping up protectionism against agricultural products.

Thailand's climatic and geographical advantages are falling due to biotechnological advances. Thailand should, therefore, emphasise animal husbandry and animal products like eggs and milk to help raise value added.

Technological development is still at the local fabrication stage when it comes to manufacturing. We, therefore, need more research and development in design improvement and engineering design using local brand names. Most research now is for academic rather than productive purposes and this is a serious weakness. The Government should also earmark a larger budget for science and technology as it is now only 0.02 percent of GDP.

Advances in science and technology have produced great changes in comparative advantage among nations. Thailand's comparative advantage in the production of agricultural goods and in labour-intensive manufacturing is beginning to wane. We should, therefore, study new technologies.

Structure of Gross Domestic Product

	1970	1975	1980	1985	1988
Agriculture	27.0	24.8	20.6	19.6	16.9
—Crops	(63.5)	(64.3)	(64.4)	(65.7)	(63.1)
—Animal husbandry	(9.9)	(10.1)	(12.1)	(11.9)	(14.6)
—Fisheries	(7.7)	(6.9)	(5.1)	(5.2)	(5.1)
—Forestry	(6.4)	(5.7)	(4.2)	(2.7)	(2.5)
—Agri-services	(3.2)	(3.9)	(3.7)	(3.1)	(2.8)
—Processing	(9.3)	(9.1)	(10.5)	(11.4)	(11.9)
Mining	2.9	2.1	2.6	2.5	2.4
Manufacturing	16.0	19.9	21.7	20.8	23.1
Construction	5.3	3.7	4.5	4.2	4.0
Electricity and water	1.0	1.6	2.0	2.5	2.8
Transport and Communications	6.4	6.1	6.7	7.1	7.3
Trade	17.4	17.1	16.9	16.3	17.1
Banking, insurance and real estate	2.5	2.6	2.8	3.0	3.6

Structure of Gross Domestic Product

	1970	1975	1980	1985	1988
Housing	5.6	5.5	4.8	4.4	4.1
National administration and defence	4.4	4.7	5.2	5.4	4.7
Services	11.5	11.9	12.2	13.9	14.0

POLITICAL

NHAN DAN Commentary Supports Angola National Reconciliation

BK0407100989 Hanoi VNA in English
0550 GMT 4 Jul 89

[Text] Hanoi VNA July 4—The Gladolite Statement and the cease-fire agreement are new manifestations of the trend of dialogue in Africa, reflecting all the African countries' solidarity with and full support for the Angolan government's policy of national reconciliation and peace plan.

This comes in a commentary published by the national daily NHAN DAN today welcoming the June 22 declaration on national reconciliation in Angola.

The paper says:

"These are political and diplomatic achievements of the Angolan people and of all other nations in Africa, which are opening up a practical possibility to end the state of war and establish a fair and durable peace in Angola."

"The Vietnamese people acclaim and support all efforts by Angola and the other African countries toward finding out a political solution suitable to the situation in Angola and Southern Africa. We fully support the June 29 statement of the Political Bureau of the M.P.L.A. [Popular Movement for the Liberation of Angola] Central Committee calling for embarking on a new stage, that of national reconciliation and concord in Angola. We condemn all acts of sabotage against this process and any intervention in the internal affairs of Angola," NHAN DAN says in conclusion.

New Thought Needed in Party Construction

42090296 Hanoi NHAN DAN in Vietnamese
6 Jun 89 p 3

[Article by Le Huyen Thong: "Renovating Thinking in Party Building Task; Party Is a Leadership, Not Management Agency"]

[Text] The Sixth National Party Congress of Delegates pointed out that the source of shortcomings in the party's political leadership "originates with shortcomings in the party's ideological activity, organization and cadre work. This is the cause of everything." The congress also asserted: "The leadership of the party is not equal to the new mission." The deep source of this situation is caused by many years of neglecting the party building task. For this very reason, in the four lessons of the Sixth Congress was one on party building.

Newly Presented Requirements

Actual practice during the past 2 years has increasingly affirmed that party leadership is a decisive factor in every success of the renovation effort in our country.

Therefore, the recent Sixth Conference of the Party Central Committee emphasized: "The party must self-renovate the theme and formula of its leadership." This demands renovation in thinking on the party building task with clear definition of the function and mission of the party, state and mass organizations. A situation of the party "invading the yard" of local administrations and interfering in the work of production and business, especially at the primary level, must be overcome.

Renovating thinking on the party building task means to deny theoretical achievements in ideological and cadre organization work, to deny principles of a lawful nature in the party building task, and to deny the correct and confirmed line. Conversely, renovation of thinking is in itself to supplement and develop achievements made under new conditions. The political report presented at the Sixth Congress stated: "Each of us, from leaders to ordinary party members, in no matter what field of operations, must reinspect his own perception, promptly comprehend the new viewpoints, and resolutely reject the erroneous concepts." Thus, renovation is not changing the socialist objective but allowing that objective to effectively achieve the proper concepts on socialism and the steps forward and methods of implementation, especially the proper and legal concepts of the initial stretch of the transitional period.

The process of renovating thinking on the party building task must properly achieve the following four requirements stipulated by the resolution of the Sixth Conference of the Party Central Committee, aimed at clearly distinguishing the party as a leadership and not a management agency. They are: the party leads by formulating programs, lines, strategy and basic objectives of the revolution, pointing out major courses, positions and policies in both internal and external fields, and setting the operational course of the state and all the people.

The party inspects achievement of line, position and policy. Through inspection, line and policy receive practical summarization, continuous supplementation and perfection, and concepts failing to closely follow reality or tasks contrary to party line and policy are promptly remedied and corrected.

The party leads the formulation and achievement of cadre projection and deployment in agencies of the party, and prepares and introduces key leadership cadres of state and mass organizations. The party provides firm leadership in the cadre work of the state in cadre recruitment, appointment and dismissal.

The party exercises its leadership by persuasion, education and the examples set by cadres and party members. The party operates within the framework of the law and precisely in accordance with the law.

The process of achieving the requirements mentioned above is one of renovating and streamlining the apparatus organization of the party at all levels from the central to the basic level, first of all renovating thinking in the party building task.

Where To Begin?

The first problem presented is the need for a correct concept of the worker class nature and the historic assignment of the party under new conditions. This is primarily to find the right, and to criticize and analyze the erroneous and backward viewpoints or improper conceptions following the new requirements associated with a party shifting from wartime leadership and a mission of national liberation revolution to economic leadership and achievement of basic and total renovation, including a central mission of renovating economic policy. When the revolution shifts to a new strategic period, thinking on party building must also change course, aimed at raising the leadership ability of the party to a level equal to revolutionary requirements. Only with renovated thinking to acquire a proper concept of socialism and of the revolution's strategic reorientation does the party have a basis for setting forth proper line and position, and does the party member recognize the urgent requirement of training himself in new thinking, knowledge and practical operational ability consistent with the nation's renovation task.

Resolution 5 of the Party Central Committee stated that the most serious shortcomings in organization were "violation of the principle of democratic centralism and both a lack of democracy and laxness in discipline; and the slow change in cadre viewpoint and policy, and slow formulation and achievement of key cadre rank projections, especially those involving nearby cadres. Cadre management is still bureaucratic with no management mechanism so there is no grasp of cadres." This actual situation all too clearly reflects that the task of party building is still following old thinking, originating from incorrect concepts of strategic reorientation during the new period of the revolution. Clearly, the struggle to win political power in the democratic national revolution and to grasp political power in the socialist revolution, the party building task is developing on a broad scale with rich and complex themes. Our party has much experience in party building, has outstanding organizational ability, and has matured in an extraordinary manner in the process of applying the laws of democratic national revolution and people's war. This is an extremely valuable asset. However, it absolutely cannot change or compensate for the things in which we are extremely wanting, the knowledge to build the party and manage the economy, and the ability to organize practice in socialist construction in the initial stretch of the transitional period under the specific conditions in our country. When a party is in power, the foremost mission is economic leadership. All political activities and interests in the final analysis are an expression of financial interests. This demands that renovation of thinking on

the party building task accompany renovation of theoretical thinking, especially economic thinking, aimed at planned development of a commodity economy of many components in the advance to socialism. The quality of leadership of party organizations at the present time is specifically expressed in the rate of renovating the management mechanism, developing the commodity economy, achieving democracy and social equality and strengthening the confidence of the masses. A practical lesson pointed out since the 6th Congress is that backwardness in theoretical concept, especially in political thinking, is an extremely large obstacle to the process of renovating the party building task and practical organization. The leadership process to eliminate the bureaucratic centralism-state subsidization mechanism must begin with a change in social outlook, especially in economic thinking. In reality, party committee echelons are still burdened with the seal of the bureaucratic-subsidization mechanism, find it difficult to be sensitive toward leadership in shifting the economy to socialist business accounting and therefore, lack the conditions necessary for renovating the party building task. Consequently, thinking on party building and the economy are closely connected with each other and have an extremely dialectical and mutual effect.

Raising Cadre, Party Member Quality

Renovation of thinking on the party building task is expressed in many aspects, first of all in achievement of democratization in the process of preparing and issuing decisions and especially in renovating thinking on cadre work and correctly defining the character standards of party members under the new conditions. Previously, there were occurrences of evaluating cadres according to individual prejudices and old viewpoints, preconceived admiration of past family history, excess emphasis on individual style, attitude and behavior, and overemphasis on rank and position without stressing ability. Obsolete views on cadre work are expressed in an extremely varied manner such as evaluating cadres without relying on the results and achievement of assigned political missions; renovating to rejuvenate for forms sake and based only on age and academic degree; and not considering the "ups and downs" or conversely that which is normal. Worthy of concern is that many locations fail to achieve democratization or openness in cadre deployment. Not a few party committee echelons, agencies, organizations and cadres engaged in this work still think that cadre work is the "secret" of a number of individuals with position and power, and occasionally rely on private opinion in making decisions. Renovation of thinking on the party building task demands a new viewpoint on cadre evaluation, first of all properly achieving the mechanism of true democracy and openness; meaning coordination of evaluation by leaders and cadre organization detachments with the self-evaluation of the individual himself and the questioning of many related individuals. Without democracy and openness, there is no basis for renovating thinking on party work.

The renovation of thinking on the party building task must have a new concept to define the character standards of party members in the new period—a period of decisively eliminating the bureaucratic-subsidization mechanism, shifting to economic accounting, consistently achieving the policy of an economic structure with many components, and liberating every production capability.

In his speech at the Fifth Conference of the Party Central Committee, General Secretary Nguyen Van Linh stressed: "In the democratic national revolution, party members must set an example in the struggle between life and death and the struggle and sacrifice to liberate the country and win political power; and today must set an example in executing the policies and laws of the state, properly resolving the relationship between private and public interests, placing public interests over private interests, etc." Under the present conditions, a party member must have knowledge, ability and a positive attitude to stimulate the task of renovation within the scope of work for which he is responsible.

Renovation of thinking on the party building task is to create conditions for cadres and party members to regularly receive information on many oriented aspects and on that basis, to regularly assist them in clearly recognizing between right and wrong and in actively participating in discussions on party work. Where there is daily internal activity in which party members have no knowledge of what issues must be discussed and what things must be done, "so-called democracy" is mentioned only as a slogan. A lack of democracy or democracy for form's sake in daily party activities easily leads to complacent thinking and voluntarism. Truth must be affirmed on the basis of discussion, debate and full and frank voicing of different opinions in the party organization. And, without expanding democracy from within the party, nothing can be said about democracy to the people. Experience has clearly shown that decisions without assured accuracy and of low quality and poor effectiveness, created through knowledge standards and information collection but primarily due to the principle of democratic centralism within the party cannot be emphasized.

Resisting Bureaucratism

It is easy to see that before a party attains political power, the party members have a unique power, the ability to mobilize the masses and to maintain close contact with the people. However, when political power has been attained, cadres of the party have additional authority and consequently, leadership behavior is burdened with the bureaucratism commonly connected with authority. Cadres of poor ability often use authority in place of ability with emphasis on orders and isolation from the masses. Consequently, the struggle against bureaucratism must be conducted in a uniform and total manner, and involve ideology, organization, the economy, science and technology, education and culture, and

the law and ethics. The process of overcoming bureaucratism must first of all eliminate the erroneous and inherent concept that mass mobilization is only a method of organizing and encouraging the people to achieve the policies of the party. In renovating thinking on the party building task, party organizations must emphasize the solicitation of public opinion before deciding on the positions directly related to the lives of the masses, aimed at achieving the guideline of "the people know, the people discuss, the people do, and the people inspect." Of great importance is the collection of information from many directions and the handling of information in a truly accurate and timely manner.

In the present situation, the party building task has many extremely new problems. Renovation of thinking is a process of special and extreme emphasis on strengthening theoretical research and summarizing practice under the illumination of a new concept of socialism in the initial stretch of the transitional period.

Accident Sparks Ho Chi Minh City Student Protest

BK0307130789 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 13 Jun 89 p 4

[Text] At 1830 on 10 June 1989, two Ho Chi Minh City University students, Nguyen Thanh Duc and Nguyen Tan Luy, who resided at a student dormitory at 135 Tran Hung Dao Road, were riding on a bicycle. At the Nguyen Cu Trinh-Tran Hung Dao intersection, they bumped into and damaged another bicycle ridden by Nguyen Thanh Hung, a member of the street self-defense unit of Subward Nguyen Cuu Trinh, 1st Precinct. The two students suggested that Hung take his bicycle to their dormitory where they would get money to pay for repairs. Hung agreed, but after waiting for a while he changed his mind and refused to take his bicycle to the dormitory, fearing that once there his demand would not be met. While the two sides were engaged in a tug-of-war over the bicycle, another member of the Nguyen Cu Trinh Subward self-defense unit, Pham Quoc Khanh, arrived at the scene with a gun and fired warning shots to intimidate the students. Khanh and Hung then forced Duc and Luy to go to the the subward unit's office. Once there, Khanh and Hung resorted to acts of violence against the students. Moments later, several students from the dormitory marched to the subward unit's office and demanded to see Khanh and Hung. Frightened, the two men fled, however. A number of cadres of the local authorities and some Army officers called on the students to remain calm and go back to their dormitory, to allow responsible agencies to settle the dispute later. However, the students disagreed and marched to the office of the Ho Chi Minh City People's Committee to demand that the matter be settle then and there.

On the morning of 12 June, chairman of the 1st Precinct People's Committee Nguyen Huu Phuoc called a meeting of representatives of the students residing at the 135 Tran Hung Dao dormitory, of the Military Command, of

the Public Security Service, and of the Ho Chi Minh Communist Youth Union of the city to resolve the problem. The representatives were of the opinion that Hung and Khanh's assault against the two students was a breach of the law. The student representatives themselves admitted to their shortcomings in that they had failed to exert self-restraint and wait for the dispute to be settled by the local authorities, thereby causing unnecessary trouble.

Closing the meeting, Chairman Nguyen Huu Phuoc proposed that responsible agencies institute legal proceedings against Pham Quoc Khanh and Nguyen Thanh Hung for their criminal actions.

The participants in the meeting noted that the accident was a minor one that could have been easily settled. However, a lack of respect for the law and an absence of calmness had resulted in regrettable incidents.

NHAN DAN Editorial Marks Vietnam Journalists Day

*BK2106085189 Hanoi VNA in English
0719 GMT 21 Jun 89*

[Text] Hanoi VNA June 21—Sixty-four years ago, on June 21, 1925, the paper "THANH NIEN" (Youth) founded by the late President Ho Chi Minh published its first issue to carry out propaganda for the national liberation revolution. Since then, June 21 has become Vietnam Press Day.

In its editorial today NHAN DAN says that the Vietnamese journalists have always adhered to the glorious revolutionary tradition of Vietnam Press Day and to Uncle Ho's cause of revolutionary journalism, regarding this as a lode-star for their political and professional activities, especially in the present context of renovation.

The paper goes on:

"The Sixth Congress of the Communist Party of Vietnam initiated a comprehensive renovative line for the mass media. In the common process of social renovation, the mass media have also renovated themselves and diversified their contents by tackling the most essential requirements of the people and trimming tedious ceremonial items.

"On the path of development, the media have also committed some mistakes: part of their information on the new positive factors in emerging in the renovation process is not yet rich in content, not convincing, and even not accurate, and the media have at times not criticized themselves properly for their mistakes.

"The media must further renovate themselves, get close to the daily life of the people and guide public opinion towards healthy trends in order to take our country out

of the present difficult situation and guarantee success for the cause of renovation under the leadership of the Communist Party of Vietnam."

MILITARY

Efforts Made To Maintain Border Security

*42090292a Hanoi QUAN DOI NHAN DAN
in Vietnamese 4 Jun 89 p 2*

[Excerpts] Illegally Fishing Foreign Vessel Captured

At a position southeast of the Nhat Le River (Binh Tri Thien Province), Naval Region 3 has captured a foreign vessel with 18 men aboard who were illegally fishing. Worthy of attention is that aboard the vessel was much of the most modern technical equipment such as: a manpack radio, a regular radio, etc. The navy delivered the vessel to the Thuan An border defense post for disposition. [passage omitted]

Bandit Band Falls Into Net of the Law

The border defense reconnaissance force and military command of Gia Lai-Cong Tum Province have discovered and captured all three members (including one woman) of a bandit band while they were diligently digging potatoes at the foot of Chu Phong Mountain. This band belonged to the Region 2 FULRO [United Front for the Liberation of Oppressed Races] forces. We confiscated two AK rifles and 15 rounds.

National Defense Enterprises Encounter Problems

*42090269 Hanoi QUAN DOI NHAN DAN
in Vietnamese 4 May 89 p 3*

[Article by Tran Kinh Luan: "Seething Problems Requiring Continuous Alleviation in National Defense Enterprises"]

[Text] The Technical General Department recently conducted seminars in agencies and basic units to review achievement of Decision 217/HDBT of the Council of Ministers and Circular 1640/QP of the Ministry of National Defense, and to provide guidance in implementation of these decisions.

Basically, enterprises have realized the survival nature of the market mechanism under the conditions of our country's economy at the present time, and that Decision 217/HDBT is one method of alleviating the difficulties of primary level production units. At the same time, agencies of the general department are steadily reducing administrative intervention in the enterprise production organization process. For the 1988 plan, the general department assigned three lawful norms but only one "budget payment" norm for the 1989 plan. Exceptions are enterprises producing weapons products, combat equipment and economic commodities in accordance with state invoices which will have additional "product delivery" norms. Quarterly product plans will

be balanced by the enterprises. The general department agency will no longer perform a "production moderation" function with enterprises but will gradually begin to create sources and factors (materials and capital), and a favorable environment (market, prices, etc.), for the prompt and effective production and product distribution of enterprises. At the present time, the general department will only review the production costs of weapons products, while those of other products will be concurred upon with the customer. Periodic statistical reports that enterprises must submit to the general department have been reduced by nearly 40 percent in volume with primarily only routine reports.

With permission of the Ministry of National Defense, the general department has distributed nearly 20 percent of stockpiled and poor quality national defense material to enterprises producing consumer goods. The enterprises have gradually become autonomous in production organization, primarily expressed in the aspects of expanding joint enterprise and economic association with other ministries, state sectors, localities and economic elements outside business; in which the "joint enterprise" course is emphasized (including with foreign countries). Greater concern is given both domestic and foreign market requirements to improve standards and techniques, to establish production lines specialized in production of high-volume economic products (such as bicycle parts, electric fans, export pliers, etc.). Nearly 50 percent of the enterprises have entered production contracts with foreign countries. Three corporations for the production of various products (tile, electric fans and electronic components) have been formed with total output and product quality approaching the competitive level. Each enterprise has organized points in towns, cities, etc. for trading, introducing and selling economic products. A number of enterprises such as Z127, Z183, Z159, and Z117 have become autonomous in financial planning, and achieved good results in production and business.

Although perceptions have been basically unified, there are in practice still many entanglements and restrictions in all three levels from the ministry to the general department and enterprises.

The greatest question—and also an existing contradiction—is: Have upper echelons truly unleashed the enterprises and given them autonomy in production and business? If so, have the enterprises actually become autonomous, and have they been truly able to implement business accounting? Will upper level agencies assume the function of state economic management of basic units? Is there presently any anxiety between the unfettering and "release" of autonomous enterprises and whatever remains to be managed by upper echelons?

The answers are easy but accomplishment is difficult. One reason of a "historic nature" in enterprises as well as the entire Technical General Department is the shift

from a form of production in accordance with centralized orders and plans from top to bottom and state subsidization (previously 70 to 80 percent but in 1989 less than 10 percent of the total plan value) to a form of production closely connected with a dynamic market.

"Unfamiliarity" with the new formula and mechanism is inevitable, including that in the thinking of a number of individuals and echelons, demanding a need for time to "self-adapt" and a strong outside effect before resolution is possible. At the same time, the management mechanism from the ministry down still has not demanded realistic and regular change in production and business at the primary level. Circular 1640/QP of the Ministry of National Defense has reached the time in which points must be revised to further "unfetter" the enterprises.

Through these seminars, the primary problems requiring alleviation by upper echelons are:

It is necessary soon to set a long-term course for each enterprise in the production of national defense products, first of all in the 1990-1995 5-year plan, and to resolve the contradiction between the requirement for "maintaining national defense production capability" and the tendency to steadily reduce the production of national defense products.

Concerning economic products, coordination both above and below is necessary to define a primary industrial technique course and a primary product (advancing toward traditional products) with sufficient strength and ability to compete on the market. The period in which upper echelons assign lawful and official plans should be achieved as stated in Decision 217/HDBT. Study should be conducted to assign lawful norms for "capital tax payment" in place of "budget payment."

Do "weapons product delivery" norms also require study with improvement of the mechanism of considering the Ministry of National Defense an ordering customer? First of all, if units in the army do not meet goods receipt contracts, the Finance Department (Ministry of National Defense) will pay or partially compensate the losses of the enterprise and then subtract that amount from that unit's budget.

Although fixed assets belong to national defense sources, the nature and capability of use in yearly planning, the 5-year plan, etc. must be classified and defined to also allow enterprises to exploit, use and initiate renovation methods (for example: possibly allowing enterprises to retain equipment depreciation funds if used in economic goods production). The portion of materials used exclusively to repair weapons and combat equipment, if reserved, must have a separate budget.

Borrowing capital from individuals, overseas compatriots, etc. should only be not permitted for weapons production; for other consumer products, enterprises should be permitted to do so (including association in

scientific and technical research, inventions and discoveries, and application of technical advances), although this primarily concerns enterprises specializing in production of economic goods or those producing weapons.

Once the state has had policies and systems of a "protective" nature for the national defense industrial sector, the production costs as well as accounting formula for weapons products and combat equipment should also be calculated like other products.

How to organize the management mechanism is under the autonomous authority of the enterprise, and an enterprise does not necessarily require an agency just because the upper echelon has one in accordance with such a vertical system.

The problems of labor and wages, mechanisms of party and political work, and confirmation of worker and civil servant collective ownership in enterprises also have many inconsistencies, predominant of which is the existence of two systems (military personnel, and national defense workers and civil servants) in the enterprise. With development and achievement of Decree 22/HDBT and Directive 46/CT of the Council of Ministers, surely the Ministry of National Defense will have specific stipulations for resolution during the 2 years of 1989 and 1990. The key point is: due to individual characteristics, if national defense enterprises have shifted to a business accounting mechanism (presented during the immediate period, and at least by 1991), they must have the "protection" (by appropriate policies) of the state: on capital, borrowing and paying interest (even retaining a portion of "payment collections" for the sector to use in capital investment); on policies concerning workers and civil servants in all enterprises (such as seniority, preferential treatment, military equipment to compensate for differences in grain, food, retirement pay, etc.); and on policies (including the political interests) concerning contract laborers who are the children of cadres and workers in the enterprises.

Policy on Attendance at Officers Schools

42090272 Hanoi *QUAN DOI NHAN DAN*
in *Vietnamese* 12 May 89 p 1

[Article by Trieu Phuong Que: "Youths Should Not Be Forced To Attend Officers Schools"]

[Text] According to a report of the Military Student Recruitment Department of the Ministry of National Defense, only 64.5 percent of the student recruitment goal of the 1988-1989 academic year plan has been attained, while the figure for the previous year was 76.3 percent.

The main reason for that situation is that very few students and army youths "like" to study to become officers. According to investigatory data provided by the Military Youth Department, the positive response rate of those two groups were 15 and 18 percent respectively.

Furthermore, a rather large number drop out of the officers schools (not because of health or educational levels). At Infantry Officers School 1, 33 percent of the students were returned to their units. That "category" may be broken down into several subcategories:

- Those whom their units forced to attend. In some cases it was a matter of "if you don't go you'll be disciplined." There have even been instances of study at officers schools being a prerequisite for admittance into the Party!
- Those who want to get out of the army early but have not found a "persuasive" reason, so they think that if they attend a school and fail they will have the "excuse" of not being fully qualified to remain in the army.
- A considerable number who are not qualified to attend the schools but do so anyway. In such an uncomfortable state of mind, if they are not satisfactorily received by the school, or if they are told "provocative" things by the upperclassmen they easily become upset and dissatisfied.

We all know that creating a pool for officer training is a basic, long-range mission. It is also an important component—ensuring sufficient numbers of high-quality "entrants"—of the cadre work in the basic units. In fact, in recent years the basic-level cadres have usually worried when they have had to fulfill the student recruitment mission. In some places, the party committees have had to issue specialized resolutions. But the most widespread situation is still that of forcing people to attend officers schools in order to meet quotas, and of paying little attention to educating, winning over, and encouraging youths to voluntarily register to study.

Of course, the difficult situation exerts many negative influences on the thoughts and aspirations of the troops. The fact that support for the army's rear area policy is still limited and the treatment of officers now on active duty have directly and adversely influenced youths. Most of the exemplary cadres are beset with many hardships, lives of officers in their units are "unattractive" (and some have proven to be unqualified and of poor moral quality), which has resulted in failure to attract youths. Furthermore, a very large number of people are worried about their vocations. One comrade confided, "I'm willing to attend officers school, but I must have a specialized technical trade." Thus it is not surprising that more than 70 percent of the volunteers would "like" to attend the military colleges to study medicine or professional technical courses.

Is it possible to reduce the number of students who attend the schools and then drop out? How important is the responsibility of military vocational guidance, beginning at the time when students are studying in general schools, on the part of all echelons, sectors, and individuals? While awaiting a complete, basic solution we believe that the units must:

1. Concretize the contents of the student recruitment work in an open, democratic, and fair manner. More than 80 percent of the youths in the units have asserted that if those conditions were met they would "happily" attend officers schools, or any other school. That amounts to publicly announcing the schools recruiting students during the year and the conditions, standards, and norms vis-a-vis appointments. On that basis, youths will think things over and select appropriate schools, depending on their capabilities. (Of course, it will be difficult to satisfy all of their requirements and aspirations). At the same time, the student recruitment categories must be treated equally and fairly, except for the priority category. In the units we visited, the cadres said that few people were assigned to the "attractive" schools and most were assigned to the military administration schools (of military regions, corps, etc.) and political-military schools. Many students still often encounter the situation of "sons of VIP's" attending schools which teach "trades," after graduating from which they may serve near home or in the cities. Clearly, that injustice very strongly affects the thinking of most youths.

The implementation of openness, democracy, and fairness will ensure the combining of individual aspirations with the legality of organized assignment.

2. The unit commanders must personally carry out the student recruitment work and not give a blank check to the cadre organ. The basic-level Youth Union organization plays an especially important and most effective role in educating, winning over, and encouraging youths to attend officers schools. Such political activity forms as forums, seminars, discussions, etc., will be effective if the commander and the Youth Union executive committee provide stimulation and guidance.

It has been decided that after the 1988-1989 academic year only military personnel who have at least one year's experience will be selected to the command political "system." That is a correct policy which will create favorable conditions for educating and encouraging youths, for it is certain that such people are more knowledgeable than student youths. Among them there have begun to take form the essential "elements" of future officer candidates.

But in the final analysis, all education and selection measures must be based on everyone's self-enlightenment. That is not an easy matter. It demands persistent, multi-directional efforts and must be rational, sympathetic, and appropriate to the psychology of youths. Only thereby can there be hope for contributing to "ensuring quality and selecting the right people," in the spirit of the guidance of the standing committee of the Military Commission of the Party Central Committee regarding the school work in the army.

Commander Interviewed on Past, Present of Huong Giang Corps

42090286 Hanoi *QUAN DOI NHAN DAN*
in *Vietnamese* 16 May 89 p 2

[Interview by Dinh Huyen with Major General Phuc Thanh, commander of Huong Giang Corps [Binh doan]: "Huong Giang Corps—15 Years and Three Historic Stages of Development"]

[Text] [Dinh Huyen] Now at the age of 15, which is rather the start of the adolescent period full of strength, Huong Giang Corps already has a history of being hardened by feats of arms. May we suggest that you tell us what achievements, in the past stages of development, you consider its most memorable ones? What golden features that embellished its traditions in each stage?

[Major General Phuc Thanh] On 17 May 1974, in the narrow territory of the central part of the country and in the last stage of the resistance against America for national salvation, Huong Giang Corps was born. It was the first main-force mobile corps ever organized on the battlefield of the South. Its three infantry divisions and technical branch units were all strong units, had a long history and proud traditions, and were associated with such battlefields as Tri-Thien-Hue (1968), Route 9-Southern Laos (1971), Northern Quang Tri (1972), and so on.

The corps has existed for 15 years, the age considered at the threshold of one's young life, but because it was born, trained, and tested in special time and space, it has been growing at a rather fast pace and in a steady manner.

We may say that in its building, fighting, and growing, the corps has gone through three memorable stages of development.

The first stage ran from its establishment to the spring of 1975. Its brilliant achievement was to carry on large-scale fighting, with coordination of many branches, and to contribute to creating a momentum and a posture that would allow the country as a whole to move toward the 1975 spring of great victory. In this stage, it left its footprints everywhere, from Tri-Thien-Hue and Da Nang, Phan Rang, Ham Tan, Phan Thiet, and so on to Saigon; captured alive the entire Duong Van Minh Cabinet, and hoisted the determined-to-fight-and-to-win flag on the roof of "Independence Palace."

In the second stage, from 1976 to 1978, it returned to its native place—the central part of the country—in order to concentrate on training and building itself in the direction of becoming a regular and modern corps. But then the gunshots in the southwestern part of the fatherland were heard. In a military operation that lasted 10 days and covered 2,000 kilometers, the corps entered a new battle and liberated a series of provinces and cities

in Cambodia, such as Kampot, Sihanoukville, Koh Kong, and so on; later, it was awarded an Angkor Medal by the revolutionary state of Cambodia.

In the third stage, running from March 1979 until now, the combat corps switched to a building task and remained ready for combat to defend the northern border for 4 consecutive years, for which it won the "Best Unit" banner. One of its units which took part in defensive operations in Vi Xuyen (Ha Tuyen Province) was found in an evaluation to have properly fulfilled its task.

Each of the stages has its own imprint. But we may say that the most brilliant golden marks of each stage have been combined with those of other stages to form a long phrase in the book of history, which reads in gold on the bright red traditional banner of the corps: "Lightning fast, daring, and determined-to-win in combat; active, creative, and self-reliant in building."

[Dinh Huyen] How do you evaluate the qualities and capabilities of the cadres and combatants of the corps today? How do their attitude and feelings interact with the traditions of the unit, and how does the strength of such traditions respond to them?

[Major General Phuc Thanh] In the 15 years of almost continuous fighting, the building and training task was like periods of recess that separated and cushioned the above-mentioned stages of development. Consequently, almost all cadres of the corps were trained and grew up in combat during the most decisive stage of the resistance against America for national salvation. They also were the generation of youths who grew up under the roofs of socialist schools, had a chance to study, had a good background consisting of specific knowledge, and were clearly motivated to pursue national salvation. The background that they had acquired was quite rich, for we can say that in very few periods in our history did the young generation benefit from such training conditions. With such a base, we can emphatically state that the cadres and combatants of the corps today enjoy all of the favorable factors allowing them, as individuals as well as collectives, small or large, to build, to fight, and to achieve total growth. Regretfully, Huong Giang Corps is only a small part of the army and society as a whole. As long as society still has many negative aspects, within the corps we cannot help having some negative ones of its own. More than ever, on the occasion of the 15th birthday of our corps, we are organizing a wide campaign to promote learning, to further develop its proud traditions, to push back negative aspects, and to build a mobile corps being very skillful in battle. Through learning, we find that our men's attitude and feelings have shown a greater attachment to their unit. They are proud and feel encouraged that they are in the ranks of a corps having glorious traditions. This pride has been showing in many acts that we have seen in the training season this year. But the young generation today is also very realistic. If their education, advanced training, management,

and use do not go along with our guarantees having to do with material things, or if they are not coordinated with one another, the results we can obtain will be limited.

[Dinh Huyen] In the trend toward renovation today, does the corps have any policies and measures that reflect it in its major activities? Are there any successes and obstacles that need a breakthrough?

[Major General Phuc Thanh] Renovation is being a trend. Huong Giang Corps considers it an objective need that cannot be missed and realizes that it must be reflected in both thinking and action, and by all, from leaders and commanders to combatants. The initial change, we may say, has been due to the renovating winds that bring "Democracy, Openness, Fairness" to all activities of the corps. In the past, due to an incomplete understanding, or because of the influence of individualism, we had to face a lack of uniformity, which somehow limited our efforts to strengthen party organization leadership and to stress commanders' responsibility. Through democratic discussions and struggle, and with open measures, which create favorable conditions for the masses to offer their opinions in a bold and sincere manner, the problems that exist in our leadership and command will gradually be resolved and the strength of unity will be restored. For the time being, with many difficulties existing in our economy and society, our corps must renovate the ways it thinks and does things; adopt a new mechanism in order to combine in harmony training, combat readiness, and organization of economic activities aimed at improving the standard of living; and ensure that we fulfill any task, overcome any difficulties, and defeat any enemy any time.

[Dinh Huyen] You are one of the young generals, a young commander who leads a strong mobile main-force corps. Have you ever thought about your position and responsibility, and confided in the young people in the army and the young generation in society?

[Major General Phuc Thanh] To get young people into the ranks of cadres is an urgent need and a sign of renovation in the work of our party and army having to do with organization and cadres. We are those cadres who are lucky to have witnessed glorious periods and events and to have been trained and grown up in a corps that has traditional and historical values. Every progress, every step in our growth is closely linked with the assistance of many generations of cadres and combatants in the corps. Now, assigned by the party and army the heavy responsibility for inheriting and further developing the fine traditions of generations of predecessors, we are very proud of but at the same time deeply worry about this heavy responsibility. We feel that our background and capabilities still have many limits, while a general directly in charge of commanding his troops in a crucial location is required to have a great deal of experience in leadership, to master the art of commanding, and to know how to quickly respond to all kinds of urgent and dangerous situations. There is no better way

than to work and to learn at the same time, not only to learn in school, which is not enough, but also to learn from people of older age, friends, even people at inferior levels, and from the people in order to improve our qualities, morality, and capabilities. Whether we can fulfill this task or not mainly depends on whether our superiors want to guide us and whether we get a whole-hearted support from the cadres and combatants in the corps. The lesson on the strength of solidarity and coordination, the roots of which always are the people and combatants, forever remains sacred and eternal.

Lax Coastal Defense Posts Criticized
42090292b Hanoi QUAN DOI NHAN DAN
in Vietnamese 4 Jun 89 p 2

[Article by Han Viet Hoan: "Fighting Crime at Sea"]

[Exerpt] Our sea area is a location in which the enemy and various kinds of criminals conduct fairly strong operations but a number of border defense posts have not done well at maintaining close contact with the people or those individuals, with some units "reluctant" to go to sea. In the middle of 1988, a vessel carried more than 500 boat people out to sea past a border defense post in Tien Giang Province without the cadres and men there knowing anything about it. The task of maintaining close contact with the local area and people, and building the basic network is generally still lax. At a number of individual border defense posts, a situation of guards abetting criminal activity still exists. The movement of the people participating to protect security at sea has partially declined, measures are lacking, etc. It must also be mentioned that our coastline is long with many tortuous, perilous and complex locations. This characteristic is extremely favorable for concealing and initiating the activity of criminals. If the management of people or equipment necessary for sea operations of border defense posts and stations is lacking, the enemy can easily take advantage of this for sabotage. Therefore, positive prevention of crimes at sea and determined suppression of actions violating socialist property and the property of the people is an important mission not only of the border defense troops but also of all other forces. [passage omitted]

Cash Shortage Delays Military Pay
42090270b Hanoi QUAN DOI NHAN DAN
in Vietnamese 4 May 89 pp 1, 4

[Text] The troops are presently receiving their pay and allowances late. Reflections from many units in Chi Lang Corps [binh doan] (Military Region 1) indicate that at the beginning of April 1989, the first quarter wages and allowances of cadres and men had still not been received. The deputy commander of Division B08, Quyet Thang Corps, stated that it was the end of April before cadres in the division received an advance payment of February wages. The situation is increasingly tense for those units recently returning from missions in distant locations and for personnel being demobilized,

discharged and transferred, with no cash to settle system standards or execute welfare policy. Many personnel return to the local area penniless and must return to their unit monthly to wait for payment, undergoing much trouble, frustration and expense.

Because there is no money for disbursement, many units have had to pay the troops by check. A few men have pooled their checks to purchase goods they do not need from trade stores, resold the goods at a reduced cost to receive money for their pay, allowances and welfare policy funds, and therefore suffered losses of 20 to 30 percent.

Why does this situation exist?

I met with Captain Vo Trong Ly, Chief of the Banking and Accounting Bureau, Finance Department, Ministry of National Defense. He stated:

[Captain Vo Trong Ly] It is due to the general shortage of cash at the present time. Since the beginning of 1989, the banking and finance sector has shifted to a business accounting mechanism with expenditures only when there are receipts, to restrict and reduce inflation. The new mechanism was initially effective.

At the present time however, new difficulties have appeared in the activities of the finance and banking sector: bank deposits have declined and the banks have no money to pay the wages of cadres, workers, civil servants and the armed forces.

[Tran Ho Bac] Faced with this situation, what methods of alleviation does the Finance Department (Ministry of National Defense) have?

[Captain Vo Trong Ly] As a responsible agency of the ministry, we have regularly maintained close contact with the situation of units through reports and on-site inspections. A number of disbursements have been completed and readjusted. We have provided direct support to a number of units at the front with extreme difficulties. To this time, the department has completed the procedures of notifying each unit of cash norms for local banks. The department submits weekly reports to the Ministry of National Defense that are approved by the ministry and affect the Council of Ministers and responsible agencies in seeking methods to promptly provide cash, wages and allowances to the troops. Recently, the Council of Ministers held a joint conference with the Ministry of National Defense, Ministry of Finance and State Bank to define the responsibility of ensuring cash for the armed forces. The State Bank is presently undergoing mechanism renovation and professional improvement, and promises to join local banks in balancing sources of receipts and expenditures, and completing the resolution of wage and allowance funds for the troops from the beginning of this year, during the second quarter of 1989.

[Tran Ho Bac] On the part of the units, do you feel that anything must be given attention?

[Captain Vo Trong Ly] I suggest that unit finance elements notify us once every 10 days on the receipt of cash in local banks to promptly permit the ministry and responsible agencies to initiate measures of support and resolution. When funds reach the unit, first priority should be given to ensuring the rations, wages, allowances, etc. of the troops. Maximum restriction of expenditures for other needs is not yet necessary. Avoid a situation of successive in-kind norms, excessive reserves and stagnant capital; affecting the wages of cadres and personnel, and adversely influencing the lives of the troops.

Regiment Builds Own Barracks
42090285a Hanoi QUAN DOI NHAN DAN
in Vietnamese 23 May 89 p 2

[Article by Nguyen Dinh Thai: "Thao Nguyen Regiment Returning From Friendly Country Builds Barracks To House Entire Unit—After Building 1,000 Square Meters of Temporary Housing, Its Men Are Building Brick Houses"]

[Text] Major Tran Dinh Thoanh, deputy commander of Thao Nguyen Regiment, said that in only 2 months after it had returned from an international mission, the regiment as a whole completed the construction of 424 temporary housing units covering a total area of 9,862 square meters to house all of its men.

If somebody had been present in the very first days when the unit had just come to the newly-assigned location, he would have seen the full value of every square meter of living space in the temporary houses and recognized the hardship, suffering, and capacity to move forward of the regiment as a whole. After the years and months in which they had been fighting alongside the friendly army, the cadres and men of Thao Nguyen Regiment returned home to rebuild its base under very difficult conditions in terms of time, capital, spending, and materials. Its men had lived on a temporary basis in the people's houses first. It was in a year of natural disasters which made the difficult life there even more difficult. Grain and food had to be sought for every meal that was cooked to serve the troops. Payment of their wages and allowances was 2-3 months behind. Life of their families in the rear area had been affected to a rather great extent.

The resolution adopted by the regiment's CPV Committee had this to say: "No matter how difficult the job may be, the construction of barracks where all of its men can be housed must be completed." All echelons from the regiment's command to battalions, companies, and platoons, as well as the troops themselves, met to discuss the measures to be taken to show their determination. Thanks to a correct resolution and unanimous and tight organization, the regiment launched a campaign to obtain materials for the building task.

With the help and protection of the administration and people in the locality where it was stationed, the regiment's battalions sent their men to the forests to extract materials. With the troops' energy and efforts, rows of storehouses, kitchens, houses, and meeting halls gradually appeared on hillsides. As soon as a house was built, units sent their men in to occupy it so as to gradually withdraw from the people's homes. Within only 2 months, all of the regiment's troops were housed in the newly-built facilities. All the normal activities of a regular army unit were maintained. Training time, 11 day-time procedures, and other combat-readiness procedures, such as on duty, combat alert, command duty, and so on, were strictly maintained.

Thao Nguyen Regiment also organized the troops to obtain materials on the spot for building grade-4 houses as it was moving step by step toward having "all-brick" houses for its units. Because we visited the regiment in a period that separated two training seasons, we found that the regiment had become a busy construction site. The sounds of dynamite used to break the rocks were echoing in an entire hilly area. Limekilns continued to put smoke into the air night and day in order to produce hundreds of tons of lime needed for construction. Members of the regiment's command showed us a model of the barrack compound that the regiment would want to build and took us on a tour of the construction site. Everywhere, from the regiment's command to its battalions and companies, we found that troops were emulating one another and quickly building solid and attractive grade-4 houses. They were racing with time.

On our way to the 4th, 5th, and 6th Battalions and signal, transport, medical corps, and reconnaissance companies, we found work sites on hillsides, foundations, and walls under construction that were parts of grade-4 houses, which would gradually be taking the place of rocky hillsides and areas of wild reed, sim [Rhodomyrtus], and mua [Melastoma].

After a year of being stationed in the new location, the fact that the cadres and troops of the regiment so far have persistently strived and have succeeded in building such a facility as we see it today in order to make their unit move toward satisfying the needs of their task under difficult conditions and with many shortages is very encouraging and deserves recognition.

Houses Built for Veteran Dependents
42090270a Hanoi QUAN DOI NHAN DAN
in Vietnamese 3 May 89 pp 1, 4

[Article by Duc Thang: "General Rubber Corporation Constructs 80 Mutual Affection-Obligation Homes, Arranges Jobs for 133 Returning Military Personnel"]

[Text] The army rear area policy is receiving increasing concern from the entire rubber sector. Many corporations have constructed mutual affection and obligation

homes for the families of dead heroes and war invalids such as the Dong Nai Corporation which built 19 apartments, the Binh Long Corporation with 10 apartments, etc.

War invalids still able to work have received priority in the supply of housing construction material. For example, the Dong Nai Corporation assisted the families of war invalids to build 50 apartments.

The Binh Tri Thien Corporation, Dau Tieng Corporation, Life Corporation, Construction Corporation, and Automobile Enterprise have given attention to providing financial assistance to the families of war invalids and dead heroes with many difficulties. Dau Tieng Corporation during the year of 1988 provided 1,028,000 dong in assistance; Binh Tri Thien Corporation organized support for the children of dead heroes; and the Rubber Corporation assisted and provided occupational training for more than 200 students of Mam Non School who are the children of war invalids and dead heroes.

During 1988, the entire sector had 133 servicemen completing their military obligations in the ranks and returning to corporations; all were accepted although the corporation complements were all complete.

Cadre Training Still Uneven
42090270c Hanoi *QUAN DOI NHAN DAN*
in Vietnamese 8 May 89 p 1

[Text] During March and April 1988 [sic], units throughout the army moved out one after another to begin training precisely in accordance with their rate of progress. Typical were Military Regions 1, 2, 3, 5, and 9, the Hanoi Capital Military Region, Huong Giang and Cuu Long Corps [binh doan], the air force, naval and air defense branches, and the engineer, artillery, communications and armor services. Initial inspections indicate that almost all units have made many efforts in preparing every aspect to begin training precisely according to plan. Initial training results have been good, themes have been ensured, many units have achieved 95 percent participation in study, and systems of regular activity have been maintained as a procedure.

This year, advanced training of cadres has been given special emphasis by all levels. Before beginning training, military regions, branches, corps and services organized training for cadres. By the beginning of April 1989, according to still incomplete compilation, the entire army had conducted 725 training classes at various times for 22,141 cadres of all levels, from small detachments to force and corps, for main force, local, self-defense and militia troops, and mobilized reserve and recruit training frameworks.

However, compared with the requirements for basic, effective and firm training, the quality is still low. The themes of advanced training are still many in number and flat, and are not concentrated on each recipient and

mission, methods are still heavy in theory and light in practice, and there is much more listening than practice so results are still limited, and correction of whatever is wrong and correction by cadre action example are not being achieved.

Article Discusses Job Need for Discharged Troops
42090285b Hanoi *QUAN DOI NHAN DAN*
in Vietnamese 25 May 89 p 2

[Text] One of the matters that the youths in the army are most concerned about is whether they will have a stable job after fulfilling their military obligation and returning home.

In recent years, many localities and sectors offered them real jobs or took steps in effectively providing them with jobs, such as selecting them on a top-priority basis and sending them to vocational training, sending them abroad to do cooperative labor, taking them into state organs, and making job arrangement for them to be in a favorable position to make contributions and to mature.

In Ho Chi Minh City, the party committee echelons and administration issued positive guidance for sectors and production installations to take part in making job arrangement in favor of those combatants who have fulfilled their military obligation and have returned home. The municipality's Youth Union had a creative and dynamic way of doing it. In the last few years, many basic youth union chapters launched such movements as "Affection and devotion savings book" and "Vocational training fund," by letting their members do voluntary work and save money to put in the above-mentioned fund. This fund would be used to provide vocational training for those discharged troops who have returned to their subwards and precincts. The Municipal Youth Union, in cooperation with the municipality's planning and labor organs, organized a job guidance services center for young people. Any production installations that needed workers of certain occupations, level, and skills could deal with the center and expect wide announcement of their needs. On the other hand, youth union members and youths looking for jobs could come to the center to register and to let it know their wishes, capabilities, and addresses. Because cadres in the center themselves have occupational skills and knowledge, the people they introduce to production installations for employment usually satisfy the wishes of both sides. We think that this is a good thing to do and that many localities, mostly the large cities, can do it. As it dealt with production installations and recommended people for employment, the center paid special attention to the newly-discharged troops. In many localities like Quang Ninh, Haiphong, and Hanoi, there were many efforts to get jobs for those military people. Some localities have clearly defined the criteria for priority selection of people to get jobs, to work overseas, and so on, with attention being paid to those who brilliantly fulfilled their obligation or were awarded medals for outstanding achievements, outstanding emulators, newly-admitted

party members, and those who fulfilled the international task in Cambodia. However, in the present difficult situation, with a large segment of the youth population in the country remaining jobless, to get jobs for the combatants who are discharged from the army each year would not be a simple task.

On the other hand, there remain quite a few negative aspects and inconveniences in selecting people to have jobs, to get vocational training, to do cooperative labor abroad; and they exist at all levels and in all sectors and localities, and therefore, lead to a situation in which the job interests of youths are not respected on a basis of equality. Many combatants who scored good achievements in combat and returned home after having served in border areas, on islands, and in the friendly country were not granted the right priority, but at the same time many people who had evaded the draft succeeded in getting the right people to help them to be selected for vocational training, for working abroad, or for working in state organs. This fact has quite seriously undermined the confidence and enthusiasm of young people.

Because of difficulties in finding jobs, many soldiers who had been discharged from the army and returned home had to cope with the situation by themselves while finding some ways to earn their living. Quite a few of them resorted to illegal acts, which further contributed to society's negative aspects. We need to mention here that, in regard to the job question, what deserves our attention is the youths' wrong concept about occupations. Most youths want to be on the state's payroll and to choose an easy occupation allowing them to work in a city, town, or industrial center and to earn a living easily, while being away from the countryside. This concept has had rather profound effects on the youths in the army. Many combatants want to be granted priority in getting a job after their discharge from the army, and consequently maintain that there will be no future for them if they are offered contracts to sign for working in an enterprise or production installation, or if they make handicraft products as a family-based activity. It is necessary to educate young people in the army so that they would understand that after they have fulfilled their military obligation and returned home, the state would not automatically grant them priority in getting onto the state payroll, being sent away to undergo vocational training, and so on, for to join the army to fulfill one's military obligation means to fulfill the obligation of a youth, a citizen, and so on.

However, in the case of those combatants who have fulfilled their military obligation, to grant them the right priority also means to carry out social justice. We believe that all administration echelons and state sectors must have specific guidelines about a priority policy applicable in this matter. In our opinion, as an immediate objective, the following must be properly done:

In all localities where there are people who have fulfilled their military obligation and returned, the administration must show its real concern about being responsible

for arranging for their jobs, creating favorable conditions for them to enjoy stable living conditions, and allowing them to continue to make contributions and to grow. If the norms for vocational training and overseas cooperative labor have been set, it must adopt an open policy granting priority to these people. Negative aspects and inconveniences must be sternly dealt with while these norms are fulfilled. In the case of those combatants who have fulfilled their duties on islands, particularly in the Spratly group of islands, or international duties in Cambodia and Laos, or on the Vi Xuyen (Ha Tuyen Province) front, it is necessary to clearly define the special priority treatment to be granted them in regard to giving them jobs, sending them away for vocational training, or accepting them for overseas cooperative labor. The state must promulgate at an early date labor and youth laws, in which the youths' labor obligation and work obligation and interests must be clearly defined, so as to let those who have made many contributions to the building and defense of the fatherland feel they deserve privileged treatment in connection with their job and training interests.

Quality of Military Training Evaluated
42090282 Hanoi QUAN DOI NHAN DAN
in Vietnamese 29 May 89 p 2

[Article by Pham Xuong: "Problems Requiring Immediate Solution To Raise Quality of Military Training"]

[Text] At this time, units throughout the army have completed half of phase one of the training program. Many inspections in two point supervision regiments and a number of other units, main force, local, militia and self-defense forces have shown that a great many difficulties existed in all units when training began but that many efforts were made to overcome those difficulties and to ensure the training began on schedule and in accordance with plans approved by upper echelons. Units are now continuing the training with results attained in both the political and military aspects indicating greater progress than last year. However, compared with requirements of the 1989 training year, these results are still low. The Ministry recently directed a number of point units to reorganize training in a number of subjects not meeting requirements. From actual practice, we have noticed that if units have no active methods for overcoming recent weak points, achieving the requirements of skilled, properly oriented, firm and effective training as established by regulations is difficult. Each unit has different strong and weak points but we note that the most important reason restricting training results is that the standards and responsibilities of cadre ranks at all levels are still not meeting requirements. This fact is specifically expressed in the three fundamental steps determining the training quality of all subjects.

First of all, it is evident that the grasp of themes, essential skill levels, organization movement and capability, and training methods of primary level cadres are

still extremely weak. We joined some units in inspecting a number of company and platoon cadres, all with basic training received in regular schools but with movements, firing principles and hand grenade throwing not yet truly skilled. While engaged in movements using terrain features in combat, they were still bewildered, slow, and unable to analyze the meaning of the movements. For that very reason, when guiding the troops in training, their demonstrations were either incorrect or they dared not give a demonstration. They rarely explained the significance of combat movements and usually only directed the troops in mechanical manner and consequently, failed to develop the positive spirit and initiative of the men.

In training documents and lesson plans, there are also many points requiring additional discussion: documents have been prepared for the support of individual, team and squad technical and tactical training but some points are not yet truly consistent. The Ministry has directed schools and agencies to urgently edit, supplement and revise present documents that are still usable for preparing training lesson plans. Regrettably, almost all the lesson plans of the cadres inspected were hastily prepared. Lesson plans were not closely connected with specific exercises, failed to present steps employed in conducting the lesson, and especially, because the cadres failed to memorize lesson plans before beginning the exercises, they were extremely confused. In Group 95, while going over the lesson plan of the platoon commander on the use of terrain features, it was noted that the men were very confused. The commander allowed an additional 15 minutes to prepare three different kinds of terrain features: a rice paddy path, an earth mound and a natural depression, but cadres completed the preparation in 5 minutes! However, in inspecting a school trained first lieutenant platoon commander demonstrating movements using a rice paddy path, there was also confusion with personnel first turning on their left exposing their side and then on their right entangling their weapons, with no one knowing which way was suitable. Such a situation of sketchy lesson plan preparation by cadres is widespread, due not only to weak cadre capabilities but also to a low sense of responsibility.

The third problem is that many weaknesses still exist in provision of training materials. This year, a portion of the training materials is being provided by the Ministry such as expenses for gasoline and oil and despite many difficulties, the Ministry's material agency has made many efforts to achieve shipment to the units on schedule, allowing them initiative in utilization plans. Regarding self-supplied training materials, exercise fields and study aids, many units mobilized their troops in fairly good preparations prior to the training phase. Units 165 and 95 in only a short time mobilized troops to complete construction of technical and tactical exercise fields, both ensuring battlefield realism and precisely following our tactical requirements and the requirements of a standard exercise field. However, preparation of training

materials in many locations is still afflicted with formalism. Although the study aids displayed in exercises are fairly nice, they fail to meet technical standards and are not available in sufficient number so are still lacking in training. Exercise field construction is also extremely sketchy and in building defensive emplacements, bunkers are symbolic only and unusable, foxholes are erroneously constructed and cannot be entered, and trenches are not dug correctly and are usable for combat or rest.

Thus, to ensure training quality and achieve the training requirements of phase one, units must immediately overcome the recent shortcomings. As for cadre ability, clearly the problem cannot be overcome in only a few weeks but requires a plan of long-term advanced training for each specific type of cadre. First of all however, advance training must be given a number of instructors directly engaged in training work to achieve excellent results in whatever class they teach, both in theory and in action. Arrangements must be made for advanced training each Saturday for instructors before they give a class, maintaining the system of lesson plan approval with the plans of lower echelons being approved by upper echelons, and if conditions exist, inspecting the lesson plan skill levels of instructors before classes are conducted. Each cadre must fulfill his responsibilities, strictly achieve the system of upper echelons providing advanced training for lower echelons, and inspect the work quality of lower echelons. The work of ensuring training materials in units lacking them or failing to meet standards must surely be done and done again. Agencies and upper level cadres, after inspecting, must join units in upgrading exercise fields precisely in accordance with Ministry standards.

Although nearly half the phase one training remains, to ensure training quality, units must reexamine all themes and plans, boldly eliminating the unnecessary and concentrating on the primary issues. The study of any lesson or subject must be fundamental and systematic without skipping steps, taking shortcuts or hopping around. If things are allowed to drift as they are now, a situation in which the training schedule ends but the quality remains the same as before will be difficult to avoid.

A number of men asked us, "What are the most vexing problems in training at the present time?" We think there are three: one is whether the instructors and students have a thirst of instruction and study or not. Secondly, what can be done to ensure training quality? Third, do the instructors know how to teach and the students know how to study? These are questions that must be answered with specific measures.

Poor Quality Training Given Old Soldiers
42090292c Hanoi QUAN DOI NHAN DAN
in Vietnamese 6 Jun 89 p 2

[Article by Ho Anh Thang: "Why Is the Quality of Training for Old Soldiers Lower Than That for New Soldiers?"]

[Text] Group M41 has begun to conclude the second month of phase 1 training. This is the phase in which

nearly all program plans and themes are concentrated to provide the basic technical and tactical training of each individual and small detachment. To the new soldier, this phase is the first step in becoming a soldier. Major Hoang Canh Dong, Deputy Commander and Chief of Staff of Group M41, voiced a reality worthy of contemplation that the quality of training of old soldiers is almost totally inferior to that for new soldiers. Here are a few examples: in marksmanship lesson 1, army regulations and inspection of the seven operational postures on the battlefield of new soldiers, a good rating was achieved in all and in marksmanship alone, two units attained an excellent rating. Meanwhile, in a field meet to evaluate a month of training for old soldiers in individual tactics and basic squad formations, only the basic requirements were attained. Besides that, the training in discipline and compliance with systems and regulations is still more strictly conducted for new soldiers. A single example is that of 70 recent deserters throughout the group, only five were new soldiers.

A similar situation exists in Artillery Group S75 where an inspection conducted after a month of training indicated that the training of new soldiers had achieved proposed norms. This included live firing with an 82.4 percent good rating and 19 men attaining 30 points. Meanwhile, the training of old soldiers failed to attain the norms.

Nearly all the old soldiers in Group M41 as well as Artillery Group S75 are in their second year with a small number in their third year. The second year is the one in which the basic military knowledge of a soldier becomes relatively complete and any additional training is only to raise the practice standards and training ability of each soldier. So, why has such a phenomenon occurred? Major Hoang Canh Dong stated that a number of old soldiers in Unit M41 are presently organized into one battalion with its subordinate detachments. Of this number, some of the men have nearly completed their service and are awaiting processing. While waiting, these men consider the unit only a "hotel" where they mark time before transfer to a new position. The unstable mental condition of these "waiting" soldiers has had no small adverse effect on the work and study of many other soldiers. A phenomenon appearing among the old soldiers is that they continue to study, work and carry out assignments but without enthusiasm, with low quality mission completion, and in a mediocre manner. A visit to the exercise field of a unit of old soldiers revealed the phenomenon of troops engaged in practice without hats or shoes, mismatched and dirty uniforms, etc. The bartering, buying and selling of military equipment is presently widespread in primary level units. We took the occasion to suggest that primary level units need positive methods (including administrative measures) to manage and educate old soldiers to prevent the negative occurrences, "afternoon markets" and mediocre ideology from adversely affecting new soldiers.

Meanwhile, in Group M41, the majority of new men are good soldiers with fairly high cultural levels. They

strictly comply with systems, regulations and daily procedures, and endure the difficulties of study and training. Conversely, old soldiers in their second year and beyond receive training subjects virtually the same as their first year with the unit failing to renovate training forms or methods, or to generate the excitement or at least stimulate the brains of old soldiers. For example, in the subject of "individuals in the attack," the theme, exercise field, conditions and methods of disposition were the same this year as last with no additional development, failure to attract troop concentration, etc. In Artillery Group S75, two training phases were conducted during the year over a narrow field with the same guns, firing elements and themes repeated in a boring fashion. To the soldiers in their second year and beyond, one of the requirements for raising the quality of training is to renovate the plans, themes and organization of training methods.

Conditions of Troops in Battambang

*BK2406085389 Hanoi Domestic Service in Vietnamese
2330 GMT 21 Jun 89*

[Text] We arrived in Battambang at the end of the dry season. No sooner had the army volunteers on the C-79 front quenched their insatiable thirst in the heat than they had to cope with drenching rain on friendly soil. Ta Sanh and Pailin used to be notorious pockets of malaria. In the period between the two seasons, diseases often break out. No soldiers are spared from malaria. In the infirmaries of units visited by us, the number of malaria patients was usually about the same as that of wounded soldiers.

During this year's rainy season, in northwestern Battambang, the enemy frequently appeared to carry out sabotage and harassment operations, trying to attack and occupy bases of the Kampuchean revolutionary army along the border and use them as a springboard for further attacks after all the Vietnamese army volunteers withdraw in September.

The Vietnamese volunteer army units had to regularly coordinate with friendly units to pursue and mop up enemy troops, build up force and firmly consolidate their base areas. We followed an open truck along Highway 10 to the staging area of 1st Regiment returning from a campaign.

The 1st Regiment was stationed in an orchard of mango and longan. Returning from the campaign, the regiment found its barracks leaking and falling down. In many of the barracks, the combatants had to erect tents and install hammocks just like in the days when they had pursued the enemy in the jungle. Rain fell for several days, soaking all the cooking wood and often making cooking impossible. Sometimes, the combatants had to eat dehydrated cooked rice.

Talking with us, Regiment Commander Bay Rung said that since November last year his unit has not had a day of rest to consolidate itself, and since 1983 his unit has been moving between Toek Sap, Ta Sanh, Pailin to Chhiep mountain. His unit moves around constantly to cope with enemy raids and other sabotage activities.

Since early this year, the volunteer army units have withdrawn to the rear and the border corridor is now controlled by the friendly forces. Taking advantage of this situation, the enemy has intensified its harassing, penetrating, nibbling and grabbing operations. As a result, the unit has regularly maintained combat coordination with the 4th group and 95th unit of the friendly regular army and with the local force units in order to protect the Northwestern part of Battambang. The volunteer army unit cadres and combatants continue to withstand dangers and hardships. In the U Minh group—one of the spearhead units on the C-79 front during the campaign to liberate Cambodia from genocide 10 years ago—we met a generation of young cadres living and fighting in a manner worthy of the unit that has been twice been cited as a "Heroic Unit" by the state.

Twenty three-old First Lieutenant Nguyen Xuan Hung is a well-seasoned officer experienced in combat, knowing many creative fighting tactics. During the recent campaign, he was promoted to battalion commander. He coordinated with the friendly local forces to organize six search and mopping up operations with resounding victories. One of his compatriots, a native of Thanh Hoa Province, is Master Sergeant Nguyen Quoc Anh, reconnaissance platoon leader who was recently promoted to deputy company commander and who has promptly proved himself a capable commanding cadre.

Only the day before, soon after the unit reached the mango orchard and received intelligence from the people, he personally led a platoon to lay an ambush and completely eradicated a group of Pol Pot soldiers who clandestinely operated in the bamboo jungle area. The unit seized one 62-mm mortar and four AK rifles.

On the way back to the C-79 front forward command post, we went to visit the sick and wounded soldiers being treated in the infirmary of B-30 Group stationed on the bank of Sangke stream. Corporal Vo Hong Son, the only son of a widow in Cho Moi, Tien Giang Province, cordially chatted with us: You know, I was really mad, if we did not hit a mine that day, those Pol Pot bandits would not have escaped from us. Next to Hung's was Sergeant Phan Minh Chau, a native of Mo Cay in Ben Tre Province. Chau was wounded by mortar shell shrapnel in the head and back during the 28 April battle on Chhiep mountain. Chau's brother was also wounded in Cambodia but has been repatriated. His younger brother is also a volunteer soldier now serving in Ta Sanh but since they came to Cambodia, they have not had a chance to see each other.

None of the sick and wounded soldiers being treated there—like many others we met in units—has ever been reluctant, sad or anxious over the years and months they have been living and fighting on friendly territory. They have endured danger and hardship and have shed their blood for the noble international cause. However, the future of each individual is really a worthy cause for concern. Do not blame the system nor the general situation because there are many problems that can be dealt with by each echelon. The letters received from friends in B-39 Group that was repatriated in December last year have made the men still in Cambodia very anxious over their future. Many cadres who have been in the army and on battlefield for decades will now have to return home because of our troop pullout from Cambodia, and they seem not to relish the idea.

Much Improvement Needed in Cadre-Soldier Relations

42090287 Hanoi *QUAN DOI NHAN DAN*
in Vietnamese 24 May 89 p 2

[Article by Quoc Viet: "About the Relations Between Cadres and Soldiers at the Basic Level—Soldiers' Personalities Are Not Respected; Obligation and Interests Are Not Yet Resolved Satisfactorily"]

[Text] To build healthy relations in basic units is an important subject in the great campaign that draws the attention of basic party organizations. Objectively recognizing the relations between cadres and soldiers, we recently went on a mission in a number of basic units, where the soldiers we talked to offered both praises and complaints regarding cadres. What then are the real relations between cadres and soldiers in basic units? What are the problems that are being raised and need to be resolved?

Real State of Relations

We were able to listen to many soldiers who related to us the feelings of comradeship and companionship of cadres which were very moving and truthful. Many soldiers who had been doing poorly later made progress because of wholehearted care on the part of cadres; others selected for learning and training later became cadres themselves and party members. Many units knew how to develop the strength of soldiers in order to resolve difficulties having to do with daily life and to build good housing for them. In the units that were assigned tasks on islands and in border areas, or international tasks, leading and commanding cadres shared both joy and sorrows and worked closely with soldiers—all for the fulfillment of the assigned tasks. In the units that were devoted to training, combat readiness, and productive labor, cadres at all levels knew how to develop the capabilities of soldiers in order to fulfill their tasks. Many leading and commanding cadres changed their behavior and work style, "listen to soldiers who speak," and resolved things with both affection and reason.

Beside the above-mentioned strengths, the matters that stood out in the relations between cadres and soldiers were the interest in and care for teaching the latter goals and ideals, increasing their knowledge, and resolving in a satisfactory manner both obligation and interests. The matter that drew the most opinions from soldiers was the failure on the part of cadres to respect the personalities of soldiers.

In our contacts and conversations with many cadres and soldiers, we found that the leadership and command had not shown sufficient interest in teaching soldiers our goals and ideals. The soldiers who were about to fulfill their obligation said that back in those days when they were in school, they had learned from propaganda that "the army is a great university" and later found that that was true, but in addition to the programs of political education, training, and so on, they realized that their knowledge was bound within a kind of "frame" and that they had little knowledge of the country's social and economic situations. What deserved our attention was that the teaching of goals and ideals was not regular at all. In recent years, although political education was improved in terms of contents, time, and objects, it still did not effectively respond to our needs and tasks. In the meantime, the echelons in charge of organizing soldiers' learning only paid attention to going through curricular activities while ignoring the need to improve quality and effectiveness. To teach soldiers our goals and ideals under the conditions of the economy and society still encountering very many difficulties and being affected by negative aspects would not be an easy task. Only when the leadership and command keenly recognized its importance could they find rich educational measures and activities. To teach the traditions and nature of units and of the army as a whole took place only during anniversaries, but even then it paid too much attention to the form and neglected the realistic substance. That was the reason why many units which had acquired fine traditions in the past failed to further develop them and showed many weaknesses in recent years.

At the present time, there exists in units at the basic level a situation in which commanders give "blank-check" assignments to their subordinates and let specialized organs promote trainees to higher classes, while they seldom take a direct part in teaching soldiers. Quite a few cadres are reluctant to organize political learning for soldiers. Some of them believe that soldiers do not like to learn political matters. The army youth section has found in a poll that 85.6 percent of nearly 7,000 soldiers who were asked to express their opinion would like to learn in order to heighten their political background. The real reason here is the method used to organize learning. In many units, soldiers lack paper and pens and most of the time have to memorize what they learn; in the meantime, they get bored because the amount of information teachers convey to them is very little.

Cultural, artistic, physical-education, and sport activities at the basic level presently are very poor. Cadres fail to invest time in getting to understand the thoughts and

feelings of soldiers in order to organize rich cultural and artistic activities and thus to contribute to provide ideological guidance. Except for reading newspapers, holding performing art festivals, and posting wall writings, there are not very many rich activities going on. The method of holding lectures on current events for soldiers does not attract attention yet. Soldiers are not informed about any hot current events.

The above-mentioned activities serve as a means to supplement the efforts to improve soldiers' understanding of our goals and ideals and do not mean, as some cadres put it, an effort to single out some elements.

We need to add that although "The army is a great university," quite a few cadres are not yet the true faculty members of this university and others and party members are far from exemplary in terms of qualities and way of life.

The soldiers we met and talked to all asserted their obligation to the fatherland. While they were serving in the army, they were able to define the obligation toward building their units, but they were rather bothered by the unsatisfactory way of resolving interests. Recently some units openly carried out the standard benefits that soldiers are entitled to, but they were not very fair and strict while applying such benefits. The soldiers of a unit assigned the task of defending a border area confided to us the fact that there was a lack of equal treatment in connection with carrying out the defense of the fatherland as an obligation of all citizens in a certain age group determined by law. For instance, some soldiers joined the army not through the draft but through personal relationships. Or some high-ranking cadres, both inside and outside the army, who were looking for some places for their children and grandchildren to be drafted very seldom sent them to training in areas where hardship and difficulties were plentiful. The soldiers would like to see the organs and units in charge of the draft take the right draftees, abstain from taking people "laterally," and avoid taking the wrong people just because of indulgence and acquaintanceship. They should try to have equal treatment toward the young people called on to fulfill their obligation. Many soldiers in other units also told us that leading and commanding cadres were not impartial when they had to select soldiers for training, joining battlefield action, fulfilling international labor obligation, and so on.

A phenomenon that is presently quite common at the basic level is the fact that cadres violate the standard benefits that soldiers are entitled to by not being democratic and open while distributing products and the fruits of labor and increase of productivity. Some units tried to resolve matters in the so-called "political day of the company" but what they achieved were minimal compared to what they had said they would want to accomplish.

Another reality is that currently party committee echelons encourage soldiers to contribute critical comments on party members and cadres by asserting that doing so is both their responsibility and their interests, but that quite a few soldiers have been harassed just because they were very frank in offering such comments.

To correctly resolve the question of obligation and interests of soldiers is a legitimate need that leaders and commanders at all levels must satisfy with purity of heart, impartiality, and disinterestedness, for they are the ones who "give orders."

Quite a few painful incidents took place due to the brutal treatment of soldiers by basic level cadres. Some cadres have been the subject of disciplinary action because of their brutal acts against soldiers. The "militaristic behavior" phenomenon has been "disguised" in many meticulous forms. Some cadres always came to the conclusion about any violations by soldiers that they were "ideological" prejudices and used such punishments as hard labor as reeducation, digging of trenches, and carrying of firewood, or sometimes imposed fines, allowance deductions, transfers to other units, work requiring a lot of physical strength, and so on. Some company cadres adopted strange rules or punishments: If a single soldier committed a violation, his entire platoon or company would be punished. Other acts like reprimanding soldiers in front of everybody else and using insults and profane language were quite common. Some high-ranking cadres and party members ordered their soldiers to make bricks, to cut wood, and to make furniture for use in their homes; granted furloughs in order to receive gifts; asked soldiers to buy goods without giving them money, and so on. Although soldiers knew that those cadres' acts were wrong, they did not dare to speak out. In quite a few units, cadres deliberately used soldiers during the latter's entire service period to do official business, to keep warehouses, to serve meals, to raise animals, and so on.

At the present time, the majority of basic level cadres are young in terms of both their age and years in the army, but they have already become bureaucratic: They only listen to reports and if they go down to see their men, they behave as if they only "ride a horse to view the flowers," without any effort on their part to get to know the thoughts and feelings of their men.

All of the above-mentioned manifestations clearly indicate that cadres have violated the personalities of soldiers. That is the reason why the latter seldom are close to cadres. A poll conducted by the army youth section shows that in the case of some problems encountered by soldiers, 61 percent of the soldiers who took part in the poll would confide their troubles to their friends, and only 20 percent would come to talk to leaders and commanders. This reality should make cadres at all levels think seriously and change their behavior, work method, and treatment toward their men.

Measures To Be Taken

In order to properly resolve the relations between cadres and soldiers, we think that a single individual is incapable of doing the job and that we should instead develop the combined strength of the basic level party organizations, mass organizations, and educational organizations and combine it with control and proper procedures.

First of all, party committee echelons must consider building good relations between cadres and soldiers their regular work so as to increase the strength of units. Leading cadres must regularly review, on a monthly and quarterly their basis, their behavior, work method, and attitude and treatment toward soldiers. They must actively resolve, in a clear-cut and open manner, all cases and incidents in their units. They must impose disciplinary steps or organize offering critical comments and learning from experience, depending on the degree of the violations committed by cadres, without any coverup or inaction on their part due to indulgence. In the training of cadres and party members, to have good relations with soldiers must be one of the factors to be considered within a close examination of their personality, behavior, and way of life. When there are signs of violations committed by cadres and party members, party committee echelons must come to see the persons involved so as to clearly point out their shortcomings. Through the "political day of the company" a dialogue is to be held with soldiers in order to "listen to what soldiers say." Their resolutions must be satisfactorily dealt with.

Party committee echelons must widen various forms of criticisms and opinions offered to cadres and party members by means of youth union activities, mail boxes, and so on. Youth union organizations must properly carry out the task of educating youth union members and the youths to make them fully obey orders, observe discipline, display the assault role, carry out political tasks, and at the same time frankly and openly offer their own opinions to party committee echelons and party members. Wholehearted help must be given to those youth union members and youths who perform poorly.

To properly resolve the relations between cadres and soldiers is also the responsibility of the echelons being immediately superior to the basic level. In order to resolve them properly and in time, superior echelons must stay close to, control on a regular basis, make immediate corrections, and fairly and severely deal with those cadres who commit violations. At the same time, those soldiers who violate discipline, fail to show respect for cadres, and commit acts of violence against cadres must also be dealt with in a correct and severe manner.

ECONOMIC

Plastic Sandal Exports to Poland, Czechoslovakia
42090283a Hanoi *QUAN DOI NHAN DAN*
in Vietnamese 19 May 89 p 1

[VNA News Release: "Hanoi Plastics Enterprise Exports 200,000 Pairs of Sandals Worth 500,000 Rubles to Poland and Czechoslovakia"]

[Text] The Hanoi Plastics Enterprise has invested tens of millions of dong in manufacturing of 30 metal molds for

the use of available equipment and technology to produce 200,000 pairs of high-quality, gracefully styled and beautifully colored plastic sandals for export to Poland and Czechoslovakia, worth more than a half million rubles. The enterprise has also installed and placed in operation a thin membrane blower to produce bags for packaging the export goods. Thanks to that, the enterprise by the middle of May had produced, perfectly packaged and delivered to customers the first shipments of more than 100,000 pairs of plastic sandals in 18 different styles, precisely in accordance with signed contract. The enterprises is continuing urgent production to complete delivery of the remainder during the coming third quarter.

The enterprise has invested 170 million dong in independently acquired capital to construct a three-story production building for the installation of equipment to produce goods of high technical and artistic quality in support of export and domestic consumption. The enterprise is striving to place a major part of this project in use during May to commemorate the 99th birthday of President Ho.

Cement Plant Receives Swedish Assistance
42090297a Hanoi NHAN DAN in Vietnamese
6 Jun 89 p 4

[Article by Ngo The Minh, Director of the Hoang Thach Cement Plant: "Efficient Assistance"]

[Text] The Hoang Thach Cement Plant, constructed with capital loaned by the government of Denmark, began operations in 1983 and has to this time produced nearly 3 million tons of cement to assist in supporting the task of national reconstruction.

One of the plant's major project items, a basic system for mining and shipping limestone, was constructed with assistance funds from the government of Sweden through the SIDA Firm.

During a period of 10 years, from 1976 to 1986, the Hoang Thach Cement Plant received five assistance grants from the government of Sweden with a total of 49.5 million krona for investment in equipment for the mining shop, all the equipment for the mine machine shop and the purchase of spare parts in support of production.

Due to specialized modern equipment and the assistance of Swedish specialists, the skill levels of Vietnamese cadres and workers have risen. During the production process of the past 7 years, the plant has not once ceased production due to a shortage of stone, including the year in which the plant attained an output of more than 700,000 tons of cement. The cadres and workers of the plant highly rate the efficiency of this first period of the production process. It may be said that this is the largest limestone production facility in our nation at the present time, both in size and equipment technology. During the

past few years, if sufficient production conditions for using full equipment capacity had existed, the plant could have had complete autonomy in raw materials for production.

During the past 7 years, the cadres and workers of the mining and machine shops have upheld a spirit of responsibility in maintaining this precious and scarce equipment and have used it in an efficient manner. Workers in the plant have constantly had a fine impression of the concern and assistance of the SIDA Firm leaders and Swedish specialists. These specialists have also been satisfied with the tremendous efforts of plant technical cadres and workers in accepting and mastering the modern equipment supplied by Sweden. Complying with the principles of operating and maintaining the machinery and equipment and with the capabilities noted above, the plant since the beginning of 1980 has mined and shipped more than 3 million cubic meters of limestone and 873,000 cubic meters of clay to support the construction and production process.

However, during the process of production, the plant has also encountered difficulties. At the present time, the plant lacks sufficient ability to invest foreign exchange in the importation of replacement equipment and spare parts so is extremely confused. If there was additional new equipment for raising the ability of the machine shop and replacement parts, the plant in the next few years could acquire greater autonomy in the process of mining and shipping stone to ensure sufficient raw materials for production.

In this plant, Vietnamese-Swedish friendship is unceasingly strengthened. We constantly realize that the development process of the Hoang Thach Cement Plant is closely connected with the fine sentiments and precious assistance of the government and people of Sweden. Once again, we express our profound thanks to the government of Sweden which has joined the cadres and specialists of the SIDA Firm to directly assist our plant during the recent past.

Indonesian Airline Explores Hotel Construction
42130102a Jakarta ANGKATAN BERSENJATA
in Indonesian 7 Jun 89 p 3

[Text] Batam, ANGKATAN BERSENJATA—PT [Limited Company] Garuda Indonesia is exploring the possibility of opening hotels in Ho Chi Minh City and Danang, two Vietnamese cities with considerable tourism potential.

After traveling on the maiden Garuda flight between Jakarta and Ho Chi Minh City, the business director for PT Garuda Indonesia, Soenaryo, told reporters at Batam on Monday [5 June] that the opening of hotels in Vietnam will be to support Indonesia-Vietnam flights, which began on 3 June.

He was not able to say, however, whether Garuda will build new hotels or renovate existing ones in the two Vietnamese cities. He could not say, either, whether they will be opened in the form of joint ventures with local businessmen or handled by Garuda itself.

"These subjects are to be studied further," he stated.

In connection with this, Garuda Indonesia on Monday sent the head of Aerowisata, a Garuda subsidiary, to explore the possibility of setting up hotels in the two Vietnamese cities.

Commenting on offers made to Indonesian businessmen regarding expanding their operations in Vietnam, he expressed his confidence such expansion will be realized, since the Vietnamese Government is serious about cooperation, especially with neighboring states, for the purpose of developing the country.

New Air Route

He acknowledged that the opening of a new air route to Ho Chi Minh City is a bold step, since there are no empirical data to indicate success of the new route.

He was confident, however, that this 29th international Garuda route will develop rapidly because of the many Vietnamese who use air transportation for travel between Vietnam and their foreign residences.

He estimated that every month from 5,000 to 10,000 overseas Vietnamese travel between Vietnam and the countries where they live, such as the United States, Europe, and Australia.

He said that in the first phase Garuda will operate a DC-9 with 97 seats on the Ho Chi Minh City route and will probably fill only 30 percent of the seats during the first months.

"In 3 or 4 months, however, we expect that 50 percent of the seats will be filled, and even more when the tourism potential of Ho Chi Minh City and other cities has been developed," he added.

Foreign Goods Flood Domestic Market

*42090298 Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 16 May 85 p 1*

[Article by Minh Le: "Save Domestically Produced Goods!"]

[Text] Along with the foreign goods seeping across the southwestern border since the beginning of this year, an additional fairly large amount of foreign goods is seeping across the northern border. These two sources of goods have circulated throughout the country and one of the largest points of convergence is the Ho Chi Minh City market. A few figures are cited as proof that foreign

goods are flooding the domestic market. Since the beginning of this year, the volume of foreign goods entering through the Cao Bang and Lang Son entry points is estimated to be 22 billion Vietnamese dong. We have no estimates on the southwestern border but according to the friends, foreign goods worth 12 million dollars (54 billion Vietnamese dong at an exchange rate of 4,500 dong to the dollar) crossed the Cambodian border during the first quarter, and a large portion of these goods naturally infiltrated our market. In structure, the foreign goods are almost all consumer items with very few that are machinery and equipment in support of production.

The appearance of foreign goods has also created positive effects such as supplementing domestic consumer goods sources, especially in those goods we are still unable to produce, and stimulating and forcing domestic producers to change to a more active operational formula and to give more consideration to economic effectiveness. However, their ill effects have been much greater, pushing domestic production into a situation of stagnation. By the end of April, the entire city had only achieved 25 percent of the industrial and small industry and handicrafts production plan for the year. Never has our plan achievement been so slow. Many facilities have had to cease production. There are many reasons and one not lacking in importance is that products cannot be sold due to foreign goods competition.

Foreign goods with two advantages, better quality and lower prices, have routed domestic goods. In quality, a new process is necessary to overcome the problem. In the process of fierce struggle to raise product quality, efforts from two directions are required: the producers themselves must seek ways to improve the quality of their products, and the state must have suitable policies of leverage and incentive. In prices, it must be recognized that a large part of the foreign goods being displayed and sold on the market at this time are contraband and non-commercial goods not subject to any tax or only a symbolic tax if one is paid.

Production circles in all components are extremely concerned about the virtually adrift situation in which foreign goods from many sources are being permitted to flood and manipulate the market. It is necessary to protect domestically produced goods and to save production by synchronized methods. Production must be reorganized, dissolving and awarding contracts on facilities operating at a loss with poor quality and stagnated products, and proper evaluation must be made of economic units operating effectively and facilities producing goods able to replace imported goods. For these facilities, the state must have a system of price subsidies, tax reductions, etc. Implementing a policy of trade protection on the basis of supply, demand and economic capability, the state must formulate a plan and exercise unified management of imported consumer goods on a nationwide scale: not importing goods that can be domestically produced and that have quality and prices accepted by society.

Luxuries and unnecessary goods must be truly heavily taxed. Punish those smuggling goods across the border, no matter what their parent organization, faction or group. Overcome the situation of piecemeal and divided management for immediate parochial interests. New export-import duty lists have been completed and a policy of protecting domestic production exists; the core problem at this time is the manpower and organization to implement this system.

Wide advertisement is necessary to let all consumers know that the quality of domestically produced goods is no less than that of foreign goods and that the prices are reasonable. Another point for public discussion is the "foreign student style" of no few consumers at the present time. Many products made right in the city must bear a foreign trademark before they sell. The following example is a true story. A sailor on one of our ships stopping off in Singapore bought some cloth as a gift for this sweetheart and was firmly convinced it was made in China. Only after appraisal by several fabric connoisseurs was it found to be made by the Thanh Cong Textile Mill. So how can our cloth be substandard!

The general trend at the present time is interchange, association and cooperative operation. However, cooperation and association must be prudent to prevent the development of domestic production from becoming dependent.

Policies Needed To Protect State Enterprise
42090295 Hanoi NHAN DAN in Vietnamese
7 Jun 89 pp 1, 4

[Article by Nguyen Van Tu, Chairman of the Vietnam General Confederation of Labor: "Policy Needed to Protect State-Operated Economy and Lives of the Laborers"]

[Text] At the beginning of 1989, industrial production had a number of favorable aspects such as: a better supply of energy, fuel and materials than previous years, and the stimulation of party and state policies to develop the economy of many components. The electricity from the Dien An and Song Da power plants supplied to industry increased by 8 percent over the same period last year. Raw materials and supplies provided in accordance with the new mechanism created conditions for easy procurement. The people invested hundreds of billions of dong to establish tens of thousands of production and business facilities. Initial changes made in commodity production were a wholesome sign, promising good results.

Nevertheless, industrial production in general came to a standstill. During the first quarter of 1989, total industrial output value increased by 5.8 percent over the same period last year (the first quarter 1988 increase was 7.4 percent over the previous year), and a fair increase occurred in such products as electricity, cement, soda, sulfuric acid, insecticide sprayers, irrigation pumps,

syrup, etc. The production increase was good but commodities could not be sold, and nearly every sector and basic unit suffered from shortages of capital and wages. Goods inventories rose to trillions of dong. The worker salary debt rose to hundreds of billions of dong. This situation occurred primarily in the area of state-operated industry and lasted through the second quarter, creating especially serious adverse affects: more than a half million workers and laborers are unemployed without wages or a system of unified assistance.

Trade unions at all levels have organized phases of propaganda and education for the workers and laborer to understand that we are striving to shift the production and business course from a system of bureaucratism and state subsidization to the new management mechanism with socialist business accounting. The new mechanism demands that state-operated economic facilities attain self-equilibrium in materials, technology, finance and labor in order to produce products closely connected with the consumer and export markets and in a manner enabling production distribution and a profit. From this need, all enterprises must reformulate their production plans and rearrange organization in a truly consistent manner. Many enterprises have been confused because they still have no grasp of the consumer market. Accustomed to "lie and wait" (wait for lawful norms, materials, capital, price lists and distribution locations), change is not easy. The shift from state subsidization to business accounting demands that management be elevated with gradual and full calculation of "input" and proper handling of "output." State-operated facilities have encountered difficulty and delay in shifting to accounting because the economic structure has not been rational, management cadres have been accustomed to state subsidization and lack dynamism, and the macrocosmic management mechanism has been slow in renovation. History has left many problems, especially the labor problem of providing jobs following a priority and preference policy, and overcoming these problems in a prompt and unilateral manner is not easy. Concerning materials, from subsidization and almost giveaway prices to the adjustment phase on 1 October 1987, prices have risen rapidly and continually to stagger basic units until at the beginning of this year, many basic units have been unable to recover their established liquid assets; and since the recent phase of material price readjustment, prices have increased by 2.2 to 3 times. It has been impossible to adjust or supplement established liquid assets or to obtain credit loans with rational interest rates, causing many basic units to be empty handed! If capital is borrowed at high interest rates, great losses in production are incurred, and if no borrowing is done, the workers have no jobs and their lives are difficult. Many basic units are in the second situation.

Understanding the general difficulty of the country's economy in their historic change, labor union echelons have educated, organized and encouraged workers, civil servants and laborers to actively contribute in self-resolution of the difficulties to enable the basic unit to

maintain production and stabilize life. Thousands of basic units have held congresses for workers and civil servants to recommend plans and discuss methods of creating capital and jobs: the Haiphong Wool Plant and Federation of Project 1 Construction Enterprises encouraged their workers to contribute capital for production. The Hoa Binh Vehicle Plant introduced surplus labor to apprentice training in the manufacture of export bamboo and rattan articles; the Thanh To Chicken Enterprise shifted to export mushrooms, etc. Many plants and enterprises in Ho Chi Minh City, Binh Tri Thien, Bac Thai, etc. have similar methods of "fighting the fire." Nevertheless, these measures have not been enough to rescue a situation of precipitous labor surplus and stagnated production and distribution.

The General Confederation of Labor has sent 12 groups of able cadres to local areas and basic units to study the situation and assist in on-site alleviation of the difficulties. Twenty reports forwarded to the General Confederation indicate that the state-operated industrial production situation and lives of the workers require a production protection policy and a uniform social policy.

In Hanoi, through the statistics of only 12 basic units, stockpiled goods amount to more than 16 billion dong with nearly 5 billion in bank debts. Many basic units have reduced product prices several times and still been unable to sell. The Thong Nhat Match Factory reduced prices three times but still has 60,500,000 boxes of matches in the warehouse. Four major shops have ceased operations, nearly all the employees have stopped working, and in May, each one received a subsidy equal to 15 kilograms of rice.

In Ho Chi Minh City, the number of people out of work in the weaving, glass, motorbike and pharmaceutical sectors is steadily increasing. Pharmaceutical Enterprise 2-9, the leading unit in production and living condition improvement over the past several years, has had to release nearly a fourth of its labor force and to work only 5 days a week.

Viet Tri City has 26 factories but only two are operating normally. Nearly all the enterprises in Bac Thai have stagnated production. In Binh Tri Thien, 45 percent of the enterprises have halted production and 33 percent have moderated production.

In nearly all local areas, a similar situation exists.

The system of subsidies for out of work employees is implemented differently in each location. In some places, the subsidy is 70 percent of the basic wage, in some 23 kilograms of rice, and in others 15 kilograms. Fairly many locations not only do not provide a subsidy for those out of work but also force them to contribute an amount of money or in-kind material to the enterprise.

A situation of worker salary debt and salary payment with in-kind materials (rice, bicycles, beds, cabinets and even improved carts) still exists in localities with many workers and civil servants.

In production rearrangement, a widespread situation is that female workers and civil servants, especially those with many children and low labor ability, are the first candidates for release from the production line. According to statistics from local areas, 68.5 percent of those on sick leave and retired underage are women.

At the present time, the entire system of trade unions at all levels is continuing to encourage workers and civil servants to develop their collective intelligence, look for work, assist in self-improving living conditions, actively support the party and state program to renovate the economic management mechanism, and to participate in rearranging production, reorganizing labor and swiftly shifting to methods of work with accounting for effective achievement. However, we believe the state must have a protection policy for state-operated economy and a social policy to care for the lives of the half million workers and laborers who have halted or have insufficient work, with special protection for the ranks of skilled craftsmen.

During the period of shifting from the old to the new mechanism, a system is necessary to waive and reduce state collections during the period necessary for enterprises incurring losses but not at the level of collapse, to stipulate rational interest rates so enterprises may borrow bank capital to maintain production, and to have stipulations for restricting and halting the situation of mutual capital misappropriation between enterprises.

The state must promulgate policies on workers in state-operated enterprises that have gone bankrupt or collapsed, and a system of subsidies for surplus laborers during the process of production rearrangement. A number of social policies must be promulgated that directly concern the lives of workers and their families, such as a system of tuitions and hospitalization fees, while simultaneously forbidding local areas and basic units from arbitrarily forcing laborers to contribute. The Ministry of Finance must stipulate that directors of enterprises with stagnated production, and paying trade union and social insurance fees, cease the practice of forcing workers in these locations to pay 15 to 17 percent of their basic wage while they are out of work and without a salary.

The worker class and trade union organization are determinedly joining the party and state to overcome immediate difficulties, and are striving to bring our economy into socialist business accounting. We will surely create the composite strength to rise and to regain the supervisory position of state economy among the economic components.

Seminar Examines New Interest Rates
42090293b Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 16 May 89 pp 1, 2

[Text] "Cash, interest rates and capital for production and business"—a burning issue at the present time—was the subject of a seminar held by SAIGON GIAI PHONG on 13 May with the participation of bank directors in the city, representatives from a number of credit cooperatives, state and privately operated production and business units, export-import corporations, etc. Also attending were Le Khac Binh, Vice Chairman of the Municipal People's Committee; and Pham Chanh Truc, Director of the Economic Department of the Municipal Party Committee.

Throughout the seminar, the representatives all expressed concern over the present situation: production is declining and business is on a downhill slide. There are many reasons for this situation but one direct cause is that units are suffering a serious shortage of capital, and previous loan capital has been largely and abruptly recalled, preventing units from a prompt turnaround. Borrowing at the new rates, units are afraid they cannot pay the interest. Bank and credit cooperative representatives stated that the state's promulgation of new savings deposit interest rates has returned cash to the banks but has also produced many other worrisome problems: the new interest rates were introduced at an improper time (the gold price was low and difficulties were being encountered in production and business); and because the new interest rates are fairly high, not only are they attracting idle cash from the people but also from production and business circles. Because there is little more profit in production and business, a number of units have sold material and machinery for money to deposit in the banks. The new interest rates were introduced too abruptly, confusing and disrupting both the banking sector as well as production and business units. Financial institutions have all proposed that rigid interest rates not be applied to outflow and inflow but that only the maximum interest rates for loans be controlled with specific rates for the remainder to serve as a basis for autonomous calculation consistent with the actual situation in each unit and local area.

Excessive Interest Rates Disrupt Economy
42090283b Hanoi QUAN DOI NHAN DAN
in Vietnamese 23 May 89 pp 1, 4

[Text] After a period of new interest rates for bank savings deposits, the activities of savings accounts, credit cooperatives, and industrial trade banks have been unusually brisk, and in nearly all banks throughout the country, depositors are trooping in from early morning to late at night.

In Ho Chi Minh City, savings deposits have risen to an unprecedented level in the period of the past 13 years. At the municipal industrial trade bank in a extremely short period of time, the amount of cash received rose to 15.5 billion dong. The Saigon Industrial Trade Bank alone

received more than 3 billion dong in cash during the first 3 days. At a number of credit cooperatives such as Hoa Hung and Ben Thanh and in Tan Binh Ward, the daily average collection has been hundreds of millions of dong. In a number of locations, savings depositors have been standing in line for facilities to open. In Hanoi at the industrial trade bank alone, from 15 to 30 April, total savings deposits rose to 32.7 billion dong with the daily amount of cash rising to more than 400 million dong. In a number of other localities such as Long An, Ha Tuyen, Son La, Thai Binh, etc., savings deposits have doubled. According to estimates of the banking sector, by the end of April and beginning of May, more than 100 billion dong in cash had been received, a rare figure in cash surpluses.

Clearly the new policy on savings deposits has had a positive effect in mobilizing to the highest level idle cash among the people for investment in domestic production and overcoming a situation in which banks issue money but receive none due to excessively low interest rates compared with actual price deviations. Conversely, along with the new savings deposit interest rates, the state has also clearly stipulated that rates will be adjusted consistent with changes in the price index of the entire market so depositors can be at ease without fearing losses in savings accounts as before.

To this time, the problem of savings account interest rates is believed to be resolved but another complex problem has risen, the problem of excessive amounts of stagnant cash in the banks with no borrowers. Actually, the state permits a common interest rate for loans that is equal to the rate of price deviation plus an amount not to exceed 1 percent. However, inaccurate price deviation forecasting has gradually led to loan interest rates double the price deviation level. If the level of price deviation during April (according to data of the Statistics General Department) is used, the bank loan interest rate was 7 percent higher than the price deviation level. With such a high loan interest rate, state production units, despite an extremely tense capital situation and serious shortage of cash, dare not borrow from the banks. On the other hand, state-operated units are presently undergoing a period of heavily stagnated goods and reduced production and business, and extremely few units are able to operate at a profit of 10 percent. If bank loans are obtained and capital use is occasionally untimely in achieving rotation, interest payment losses must be endured. State units do not borrow capital from the banks and are prepared to accept a situation of living in agony while in the banks, savings account surpluses and stagnant money continue to increase, interest must be paid to depositors, and serious losses are incurred. In addition, many state-operated units and especially small industry and handicraft cooperatives have ceased production and even in some locations sold all their fixed assets or collected capital from cadres and workers in the enterprise to deposit in bank savings accounts for the interest. Many units have calculated that with the

present bank interest rate, they need not operate but must only make bank deposits to earn a much greater profit. Therefore, bank deposit interest rates have become a heated problem in the economic situation of the entire country at the present time.

To resolve this problem, many banking organizations in a number of provinces and cities have promptly lowered their loan interest rates to from 9.9 to 10.5 percent. This method is the first step in attracting production units to accept loans and partially allowing banks to resolve a certain amount of the stagnated cash, and at the same time, production units have acquired funds for beginning operations. Presently however, some banks have "recklessly" reduced their loan interest rate by almost nothing. Most units are still waiting for opinions from upper echelons and have suggested that interest rates be lowered and that losses incurred through payment of high interest rates be compensated for by the state!

The problem is that continuing the present excessively high bank loan interest rates is impossible. At the current rate, for every 10 billion dong in cash collected by the bank after 1 month, the state must incur up to 1.2 billion dong in losses. Meanwhile, production units have no money for production and business and if this continues, production in the country will become increasingly arduous. However, such a solution is presently unclear to the banks. The central bank recently sent a letter to local areas temporarily halting acceptance of savings deposits at 12 percent interest but continuing those at 9 percent.

Many people believe the new policies on savings deposits promulgated by the state not a full 2 months ago have changed and therefore, a loss of public confidence has occurred. This is truly an extremely complex lesson to the banking sector. However, if present rates are permitted, the state has no recourse other than budget overdrafts to compensate for bank losses, while the budget overdraft level during the first quarter is at an extremely high level. Due to this reality, the state must readjust the deposit interest rates of state-operated units and banks to a suitable level, and conversely must reduce loan rates for state units, allowing the ratio between deposits and loans to ensure a level encouraging production development, with banks simultaneously ensuring an appropriate interest level. The longer this truly urgent and heated problem exists, the more it creates a "more dead than alive" situation in production and circulation at the present time.

High Interest Rates Disturb Financial Operations
42090293a Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 9 May 89 pp 1, 3

[Text] **Who is Depositing? Who is Borrowing?**

More than a month has passed since banks and credit cooperatives initiated the new savings deposit interest rates. Never has the municipal money market been so lively. At specialized banks and credit cooperatives,

from morning to afternoon, crowds of people come to deposit money and buy certificates of deposit. By the beginning of May, the Municipal Industrial Trade Bank had raised its deposit balance to 42 billion dong (including the savings deposits transferred from the old interest rate); the Saigon Industrial Trade Bank has attracted 78.5 billion dong in savings deposits with an increase in active capital of 14 billion dong over March 1989; and the Municipal Agricultural Development Bank has also increased its capital collection by 7.5 billion dong. The 82 credit cooperatives in the inner city also have a higher deposit balance than before, attaining the figure of 70 billion dong. Seeking understanding at banks and credit cooperatives, we learned that the depositors are primarily classes of the population stimulated by the new interest rates and recognizing that savings deposits are profitable. There are also many customers from agencies, enterprises and corporations making deposits of from 100 million to a half billion dong (this issue will be analyzed later).

Due to the cash surplus, nearly all financial institutions are "racing" to loan money to recover from their capital ailments and losses. If the borrower previously had to wait and wait for approval and make many trips before obtaining his loan, he is today treasured by the banks and credit cooperatives who even deliver the money by vehicle all the way to his unit. The bank directors all state that no matter who the borrower is, if perceived able to repay, the loan is granted to release the "outflow."

Choose a Face...Deposit Money!

At the present time, banks and credit cooperatives are all concentrating on units able to repay the debt and loan interest. The capital loans of the Saigon Industrial Trade Bank and Municipal Agricultural Development Bank are primarily to units engaged in the procurement and export of agricultural and marine products. The number of production units borrowing is insignificant. It is the same in the credit cooperatives. Dao Ngoc Tho, Chairman of the Tan Binh Credit Cooperative, stated that industrial and service units are the recipient of 50 percent of the cooperative's loans; individuals and families, 30 percent; and production units, only 20 percent. Le An, Chairman of the Hoa Hung Credit Cooperative, told us that the cooperative previously made loans to consumer goods, forestry product processing and weaving enterprises, production teams, and family stock raisers but they were unable to repay and past due accounts rose to 300 million dong, forcing the cooperative to recall the loans. Now the cooperative is loaning capital to suburban banks, enterprises processing marine products and ward food products, etc. The Ben Thanh Credit Cooperative, with a fairly large deposit balance—14 billion dong—has been forced to make "distant" loans with the recipients being banks and business organizations in the province.

If we say the foremost objective of banks and credit cooperatives is to serve the requirements of production development, the situation mentioned above indicates that present financial institution investment is askew because it is not aimed at developing production to create material goods for society!

An Alarming Sign

Production in the city is presently inactive. This situation has many causes, such as the flood of foreign commodities creating havoc for domestic goods, the still not truly rational tax and budget index policies, rising material prices causing products to be high priced and difficult to sell, stagnated and unsalable goods due to poor quality, etc. However, an cause of no less importance is that bank interest rates are too high so production units, despite their lack of capital, continue to sit idly for fear they cannot pay the interest!

Seeking information at production units, we learned that although the state has stipulated an interest rate framework for sectors and trades that is relatively low, because the banks have no source of capital in the plan for loans and units have no capital to deposit in the banks, nearly all the units must borrow capital and pay interest in accordance with a sanctioned framework of interest rates at 11.4 percent a month and up. Therefore, the majority of production units dare not borrow money and in many cases not only do not borrow but also sell goods and materials to obtain money for bank deposits (like those we mentioned above). Thus, the high interest rates not only stimulate the people with idle money but also "stimulate" production units to make deposits for the interest because bank deposits presently "fill you up" more than production!

Not only production units but also financial institutions have been placed in a predicament by the high interest rates, with capital input failing to balance with output. For that very reason, the Ben Thanh Credit Cooperative has reduced its deposit interest rate below the stipulated level: with unlimited term saving deposits below 5 million dong earning 9 percent monthly but more than 5 million dong only 8 percent; 3-month deposits earn 9.5 percent monthly; and with a 6-month term, 10 percent, etc. In its loans, the cooperative also applies a "flexible" interest rate framework. The Tan Binh Credit Cooperative lowered its interest rates by .3 percent monthly from the previous level. Credit cooperatives in the 11th Precinct have all uniformly applied an interest rate framework aimed at supporting production within the precinct.

The return of cash to banks and credit organizations has the positive effect of reducing the previous constantly tense cash situation but is also an alarming signal: production drops and present monetary rotation is failing to create goods for society. Financial and even

production circles voice the anxiety that if this situation is not improved, many units will collapse and go bankrupt. The door is still open for an urgent solution to the problem!

Cement Production Problems

42090297b Hanoi NHAN DAN in Vietnamese
7 Jun 89 p 1

[Unattributed article: "Capital, Prices, Distribution Are Three Major Problems Requiring Early Resolution for the Cement Production Sector"]

[Text] By the end of May, the Confederation of Cement Enterprises had been able to dispose of only a little more than 601,000 tons of cement. Compared with planned levels, this volume was only about 37 percent of the 1989 total. Since the beginning of the second quarter, cement production has stagnated. There are many reasons but primary are the follow three major problems:

The first is a shortage of capital. By 25 May, customers owed the confederation 16.433 billion dong, including a number of major customers such as the General Corporation for Song Da Hydroelectric Construction with a debt of 7.061 billion dong; Construction Materials Supply Corporation 4 with a debt of 4.183 billion dong; Equipment Materials Supply Corporation 3 with a debt of 4.453 billion dong, etc. Meanwhile, the Confederation of Cement Enterprises owes other units 5.879 billion dong, primarily 3.112 billion dong for the purchase of coal, 1.414 billion dong for electricity and 1.353 billion dong for freight charges. This financial situation has led to confusion for plants of the confederation. On one hand, the confederation has no money to settle accounts with other units in accordance with Directive 90/CT of the Council of Ministers and Circular 13/TCDN of the Ministry of Finance, and on the other, has no capital for production and business.

Secondly, coal prices and freight charges are unstable. Since the middle of May, to conform with the purchasing power of the market, the Confederation of Enterprises has reduced the sales price of cement at plants in the north from 185,000 dong to 175,000 dong per ton. However, material costs and freight charges have had a tendency to steadily rise. For example, the price of number 3 coal dust has been 56,300 dong per ton since 15 March but an increase to 72,000 dong per ton has been announced. Na Duong coal is at 41,000 dong but presently shows a tendency of rising again (while in the price structure, the confederation has only figured 35,000 dong per ton). Freight charges have also doubled since the beginning of the year.

Third, consumers with a state address will not accept goods. Cement is an essential product within the purview of unified state management. During 1989, the production and distribution plan of the entire confederation is 1.79 million tons and the supply norm by address (state ordered goods) is 1.74 million tons. To this

time however, many key consumers have received state designation not to accept goods. Figuring only construction material supply corporations 3 and 4, the acceptance of 90,000 tons of cement in accordance with plan norms was refused during the 2 months of April and May. After the announcement on price reductions at the end of the May, daily distribution volume crept up by nearly 3,600 tons but more than 100,000 tons of clinkers and cement is still stockpiled in confederation plants. The question is whether the contracts for goods at the beginning of the year are still effective.

The three problems above need prompt examination and resolution in a uniform and positive manner to create favorable conditions for the cement sector to maintain the production rate in the near future.

Difficulties in Production, Circulation
42090271 Hanoi QUAN DOI NHAN DAN
in Vietnamese 10 May 89 pp 1, 4

[Text] During the first quarter of 1989 a new complication arose which strongly affected production and circulation in our country: foreign goods flooded the market and the production of all kinds of domestically produced goods, of both good and poor quality, increased greatly. In addition, a large number of enterprises and state economic units had to shut down, the workers had no work, and the products of the state economic units could not be sold, which resulted in a serious lack of capital. Cadres, workers, and civil servants were not paid, and many enterprises had to shut down all operations or some departments. Most of the production units were beset with an alarming degree of paralysis.

In the municipality of Hanoi, by the end of the first quarter the production units were still stuck with 400,000 pairs of cloth shoes, 2 million meters of elastic, hundreds of bicycles, tens of thousands of roller bearings, chains, sprocket wheels, etc., valued at nearly 30 billion dong. Large quantities in nearly all of the essential product groups, such as food, household goods, cooking fuel, and such high-level goods as TV sets, radio-cassette players, imported bicycles, etc., could not be sold. Many central-level factories could not sell many kinds of products, such as Rang Dong thermos bottles, light bulbs, bicycle tires, automobile tires, etc.

During the second quarter, the production and circulation situation in the production and commercial units in the state sector has not improved. By the end of April, many more enterprises had to close down and the workers of many enterprises and factories who had been out of work since Tet still did not have jobs. The Thuong Dinh Cloth Shoes Enterprise laid off 1,000 workers because it lacked capital to buy gasoline for production. Some units of the Hanoi Bicycle Enterprise Federation have laid off workers for an indefinite period. The Dong Anh Bicycle Chain and Sprocket Wheel Enterprise is also drafting a plan to lay off workers to clear out a backlog of goods that cannot be sold. In Ho Chi Minh City, the

textile enterprises and the enterprises producing ready-to-wear clothing, plastic items, glass items, etc., also have backlogs of tens of thousands of products. The units have had to lower the prices on many products by 20 to 30 percent but their business is still very slow. The main reasons for the slowdowns in the production and circulation of domestically produced goods are high production costs, poor product quality, and failure to meet the tastes of consumers. In addition, the domestic market has been flooded with foreign goods, many of which are of good quality and meet the tastes of consumers.

To resolve the problem of unsalable products, insure unimpeded production, and create conditions for the state economic organizations to operate efficiently, many localities, such as Hanoi, Ho Chi Minh City, and Hai Phong have allowed the units to lower the prices of all goods that are now in over-supply, concentrate on expanding their markets beyond the municipalities, and lower the ratio of state taxes or eliminate state taxes for some units experiencing excessive difficulties. But in fact, to date the state enterprises and units are still beset with myriad difficulties and a large number may have to shut down. The wholesale prices of some goods have been reduced by as much as 50 percent but sales have still risen very slowly. Many places have allowed workers to freely seek employment because they have no other solution. But those measures have not been able to reverse the present difficult situation.

However, to date not one state unit or enterprise has become completely bankrupt. Many units have in fact not operated efficiently but have still "tried to hang on," to prolong the period in which the materials, machinery capacities, labor, etc., of the state are wasted. Therefore, the time has come to take resolute steps to create conditions for production to truly develop.

We think that while we do not yet have modern industrial production and are only in the process of coming to grips with commodity production, we should not invest evenly in production in all spheres. In Hanoi, at present hundreds of central and local factories and enterprises produce all kinds of goods, but none produce complete products or attain international standards. The state still must "divide up" materials and capital to invest in all factories and enterprises. As a result, the factories and enterprises are unable to invest in depth and are incapable of changing completely in order to modernize production technology. Although their products have improved a little, they have not kept up with foreign goods. Therefore, if we allow this situation to continue the present difficult production situation may never end. On the basis of the above, we believe that the localities, and especially the industrial centers, should immediately begin the replanning of all production sectors. They should clearly and specifically determine each key economic sector and the conditions for concentrating on ensuring the economic strengths of the localities (that topic has been discussed much in the past but has not been fully carried out). On the basis of determining the

key strengths, the state and localities should concentrate their investment on those production sectors in order to completely change the production situation in each sector. They should not maintain the present situation of widely dispersed investment in production. Furthermore, an investigation should be carried out and there should be a reevaluation of all production capabilities of the industrial enterprises. Enterprises which are too outdated, have low labor productivity and efficiency, and have surplus production should be boldly contracted out or sold to private individuals, or even completely dissolved. All of the money and capital obtained by contracting out to private individuals or by dissolving them should be invested in the leading economic sectors so that they can adopt modern technology and train technical workers. On the basis of concentrated investment in the leading economic sectors, the state must at the same time have a policy of giving preference to the leading factories and enterprises so that they can have the motivation to advance, create a strong force, and completely transform their primary production force. Only thereby can production in our country gradually stabilize, can labor truly have productivity and quality, and can the products that are produced compete with foreign goods. The present situation of widely dispersed investment in production, and failure to resolutely close down inefficient factories and enterprises, will prolong the present difficulties and bottlenecks. In addition to the above-mentioned thorough measures, the state must have positive and strong social policies to ensure the jobs and living standards of large numbers of workers who are made redundant by the streamlining of staffs and because of excess production. Furthermore, it is necessary to step up sending workers to do cooperative labor in foreign countries and shift some workers to the cooperative sector and the artistic small industry-handicrafts sectors, which have labor shortages, which have labor shortages. In fact, we cannot continue to maintain the situation of excess factories, excess workers, and unsalable products; an urgent demand is to achieve a basic, strong transformation of the difficult production and circulation situation at present.

Need for Improvement Seen in Laborer Working, Living Conditions

42090281 Hanoi *QUAN DOI NHAN DAN*
in Vietnamese 1 May 89 p 3

[Unattributed article: "Proposal of Vietnam General Confederation of Labor: Caring for the Lives, Protecting the Legitimate Interests of Laborers—An Urgent Problem at the Present Time"]

[Text] Caring for, stabilizing and improving the lives of the people is the objective of every socioeconomic program and policy of the party and people. Efforts made to successfully achieve socioeconomic programs and plans are to create a foundation and conditions for resolving the difficulties in life at the present time.

The urgent problem now is: *how to have sufficient jobs and the conditions necessary to work proficiently and effectively.* That is the right and expectation of most workers and laborers. Besides those people who presently lack sufficient work in work sites and enterprises due to the shortage of capital, energy, raw materials, etc., the rearrangement of production and state agency apparatus will lead to a great labor surplus. The number of unemployed in the cities and the number of youths reaching working age are together approaching the millions. Therefore, the problem of providing work for every laborer in our society cannot be promptly and unilaterally solved but is a process of many years, conducted hand in hand with socioeconomic construction and development plans. Only with employment can there be legitimate income. If jobs are not created for laborers and their families, there can be no wage policy for solving the difficulties in life at the present time.

It is necessary to reorganize production, rearrange labor, motivate workers and civil servants to exploit every labor, machinery, equipment, supply, raw material, etc. potential, organize secondary production and economic joint enterprise and association, and to exploit domestic sources of supplies and raw materials to provide additional jobs for workers and civil servants and additional goods for society. For the number of surplus laborers, a plan is necessary to conduct occupational retraining, and to assist in transferring trades or participating in the development of production and service outside the state economic component and the development of family economy. A form of "stopped working, awaiting work" state subsidization, or social assistance policy for the surplus labor force is necessary.

Labor cooperation with foreign countries will continue to expand under many forms. Efforts must be made to resist bribery and the creation of aggravation in delivery of laborers for cooperative work. The General Confederation of Trade Unions has proposed that policies be corrected and signed contracts be supplemented to insure laborer rights in the process of working in foreign countries as well as after contracts are completed and the laborer returns home, and that the state promptly define the role and authority of the trade union while setting standards and policies as well as when conducting discussions with foreign countries on the labor contracts.

Irrational aspects in the present wage policy have restrained production, and produced laziness and negativism. Wages unconnected with production results become a type of relief grant; and seriously violate the principles of "distribution in accordance with labor" and social equality. A tendency of non-governmental freedom, negative interests and wage payment guilds is extremely heavy in many localities. Actually, our state is presently unable to control the wage problem.

The General Confederation of Labor has suggested that the party and state promptly "reform wages," not continuing piecemeal correction of a wage policy with many

irrational factors: burdened by a state subsidization and average-ism nature, not closely connected with production results, not providing incentive to skilled craftsmen and talented scientific and technical cadres, and not encouraging labors to feel contented with their trade or to maintain close contact with their enterprise.

The state must soon study reformation of wage policies precisely in accordance with the spirit of the resolution of the Sixth Party Congress that, "For the workers and civil servants, a rational system of wages and social welfare is necessary, ensuring the material and cultural lives of workers, civil servants and their families," with the income level of collectives and individual laborers dependent upon labor results and economic effectiveness" "by many measures in which the state ensures realistic wages for the laborer and supplies sufficient rations to the army."

In a situation in which state commodity funds are insufficient and commodity prices are still unstable, trade unions suggest that the state soon promulgate "red earth allowances" and ensure the commodity funds of goods essential to the lives of workers and civil servants in order to maintain a realistic wage in accordance with the spirit of the Sixth Party Congress that: "The wages of workers and civil servants must be adjusted to comply with the price and price level systems formed in actual practice. The state must ensure that sufficient commodity funds exist for normal sales to wage earners. Under circumstances in which the state commodity funds are insufficient and prices remain unstable, an appropriate sales policy is necessary, ensuring that wage earners are able to purchase essential goods."

Under any circumstance, we cannot allow a situation to exist in which workers and civil servants are paid late. State agencies and local government authorities must be responsible to the Party Central Committee and government and to the worker class if they allow such a situation to exist as at this time.

At the present time, the situation of labor accidents and occupational diseases is steadily increasing to a concerning degree, especially at key projects in the mining, communications and transportation, chemicals, machinery, etc. sectors. Labor safety is not only a problem of life but also a problem, condition and principle of production.

Labor, public health and internal affairs sectors must continue to promote the movement of inspection, labor safety points and industrial sanitation. In enterprises, directors must have plans for improving labor conditions, bolstering labor protective equipment, and giving wholehearted attention to labor conditions in every hazardous environment and to the working conditions of female laborers. Labor safety inspection must be

strengthened and resolute suggestions made to government agencies to initiate methods of dealing with unsafe labor conditions and the cadres lacking responsibility in this work.

Housing rents must be recalculated, ensuring that a sufficient amount is used for repairs without further compensation. Housing utilization norms must be recalculated in accordance with the principle of distribution in accordance with labor and with contributions to society, giving priority to skilled workers, heroes, emulation combatants, individuals with revolutionary merit, and leading scientists and talented artists and writers with many contributions. Part of the wages of workers and civil servants is for housing expenses with anyone not living in state-owned buildings receiving money for repairs. Along with capital investment and plan norms for the construction and repair of state housing, a policy is necessary for issuing land and mobilizing capital and the labor strength of workers and civil servants to join the state in housing construction. The state has a policy of sales with gradual repayment, capital loans and material sales enabling workers and civil servants to resolve their own housing problems.

The forces of retired workers and civil servants become increasingly larger. The lives of retirees at the present time are extremely difficult. Wards, districts and cities must have someone responsible for following the lives of retirees, and for supervising and inspecting the proper implementation of systems, policies and retirement pensions and the sale of grain, food, and essential items to these recipients. Local governments must join trade unions in better organization of social, public health, cultural and informational service to retirees, and to participate in developing the "LIFE INSURANCE FUND" proposed by the Fatherland Front.

The female labor force presently accounts for 46 percent of all workers and civil servants. In many industrial sectors and in the education, public health and scientific research sectors, female labor plays a primary role in many locations. While resolving the general problems of all laborers, attention must be given to the personal problems, needs and interests of women. It is impossible to successfully resolve any political, economic or social mission without the participatory role of the female labor force. Special concern must be given to the rational deployment and use of female labor, assisting them to advance in their profession and alleviating difficulties in their family burden. Local governments at all levels must hold discussions with mass organizations on successful implementation of the planned parenthood campaign, and in building and consolidating child care centers, kindergartens, third-shift child care centers, consumer cooperatives, and commercial and service stands in enterprises and collective housing areas. An important part of collective welfare funds must be reserved for this work.

Food Situation Remains Inadequate
42090284 Hanoi *QUAN DOI NHAN DAN*
in Vietnamese 17 May 89 pp 1, 4

[Text] Concerning the grain and food program, the resolution of the 6th Party Congress confirmed that: "The mission is to attain an objective of ensuring the food requirements of all society and to initially have a reserve. The grain problem must be totally resolved, from production and processing to distribution and consumption, closely connecting arrangement of the grain structure with structural improvement and elevation of diet quality consistent with the characteristics of each region...with the production of food as emphasized as that of grain."

The year 1988 is the first in many in which planned norms and a new record were attained with total grain output at the 19 million ton level. The state collected 3.9 million tons of grain, both answering the requirements of cadres, workers, civil servants, the armed forces, cities and industrial areas and acquiring an initial reserve. Of this amount, subsidiary food crop output increased to 2.53 million tons. In farming, the area of food crops (beans and vegetables of all varieties) exceeded the 400,000 hectare level, the output of vegetables reached nearly 3 million tons and that of beans was about 90,000 tons. Fair results were also attained in livestock food products: the buffalo and cattle herds both increased, including a rapid increase in the dairy herd to a total of 10,000 head; pork output reached more than 660,000 tons, and the poultry flock reached 96 million birds with 1.9 billion eggs. Aquatic and marine product exploitation attained 900,000 tons, answering domestic needs and a portion of export requirements.

The specific figures and some records above permit an aspect by aspect quantitative evaluation. However, other results with extreme significance are the renovation in organization, supervision and achievement of the grain and food program. Most noteworthy is the grain and food production front in which grain has received more concentrated and priority investment in capital, materials, commodities, cash, mechanism and policy along a course of shifting to commodity production; with emphasis on a scientific basis and socioeconomic environment, and the natural conditions of each specific region and area. Actual practice has established a formula: the state investing to build an infrastructure; and the local area, basic unit and people investing directly in production. During 1988 for example, of the total capital invested in water conservancy of about 34.2 billion dong, the central government portion was 15.7 billion dong, the local area's was 11 billion dong and capital collected from the people amounted to 7.5 billion dong. In the supply of chemical fertilizer during 1988 compared with 1987: nitrate fertilizers increased by 18 percent and phosphate fertilizer by 30 percent, not counting the many local areas setting aside foreign exchange to import additional chemical fertilizer along with other materials. During the past 2 years, units have

been newly equipped with 4,826 tractors, 3,869 agricultural machines and hundreds of millions of miscellaneous small tools, equipment, etc. The state has directly invested 29 billion dong in the agricultural sector for synchronizing and perfecting farms and stations engaged in the techniques of crop and domestic animal breeding, protection and processing, warehouses, research and production facilities, etc. Scientific and technical activity has shifted to concentration on supporting objective programs, closely connected with socioeconomic programs in key locations in accordance with agricultural ecologic areas forming a synchronized and interconnected system of advanced technology from breeding, order and species structure, and crop season to care and pest prevention and control for the rice crop.

Evaluating the situation during the past 2 years, the recent central conference affirmed: "Improvement of the management mechanism has created a new motive force in production, most clearly in agriculture." First of all was implementation of the product contract mechanism for laborers in the spirit of Resolution 10 of the Political Bureau. An improvement and development of the contract mechanism following Directive 100 of the Secretariat at the beginning of the eighties, this contract mechanism gave the farmers autonomy in land management and use. Because the right of ownership of production materials (including land) was more clearly and concisely defined, contract forms primarily followed norms and unit prices stabilized over many years; and many locations continued to conduct contracts and bids with an area ratio, the farmers were given peace of mind and enthusiasm in production. Economic components all made new changes. State-operated agricultural facilities reorganized, rearranged and redefined the production course. Cooperatives and production collectives were strengthened, their size and organization were adjusted, and greater effectiveness was achieved in production supervision. Family and individual economies were also encouraged, creating conditions for development. Good changes increasingly occurred in the use of capital and products, including gold, in investment to build production facilities and to buy equipment, machinery and ships to expand farming, stock raising, fishing, aquatic product farming and agricultural product processing. Shifting the grain supply and distribution system to business practices produced clear results in regulating and ensuring grain requirements on a nationwide scale. The resolution of land disputes in a number of regions, especially the Mekong River Delta, resulted in initial and swift production stabilization.

However, there are still many limitations in the grain and food production situation at the present time. On a nationwide scale and in fairly many regions, grain and food supply and demand are still unbalanced and unstable, and especially, the grain increase rate is failing to maintain pace with the rate of population increase. The past 2 years have also revealed instability in grain production: in 1987, only 17.5 million tons were produced (871,000 tons less than 1986); and in 1988,

production exceeded 19 million tons. While the population continues to uniformly rise by about 1 million people annually, despite the record in total grain output achieved in 1988, the per capita average was less than 1985 (304 kilograms), and remains on the edge between famine and minimum subsistence. This also explains why at the end of 1987 and beginning of 1988 that a grain shortage occurred over a broad rural area in the northern and central regions. At the present time, food expenses account for nearly the entire income of a laborer with an average income in society. Meanwhile, potentials are still not fully exploited or developed because grain and food production has not developed in a total and balanced manner.

Mechanisms and policies still have limitations, obstructing the processes of grain and food production, processing, circulation and consumption. During 1988, when the volume of a number of commodity agricultural products increased slightly, a situation arose in which not all the commodity paddy of farmers was purchased, especially the summer-fall crop paddy in the Mekong River Delta; tens of thousands of tons of cassava were warehoused in the central highlands; beef and pork in Thuan Hai, Phu Khanh and Nghia-Binh were stockpiled and could not be sold; the price of fresh 1988-1989 winter-spring vegetables in the area around Hanoi dropped and vegetable producers earned no profit, adversely affecting production; the price mechanism failed to encourage processing, etc. State facilities encountered difficulties in production and business, had low productivity and had no supervisory role. Production development was not closely connected with the construction of new rural areas. The division between rich and poor continued to increase with about 10 percent of the farmers encountering difficulties in labor, capital and production experience so food shortages were common; welfare and social policy recipients did not receive adequate attention; natural calamities were encountered without insurance, etc.

To successfully achieve the resolution of the 6th Party Congress, the resolution of the 6th Central Conference stated: "Have total and uniform methods to resolve the grain and food problem...with efforts during the next few years to achieve essential grain equilibrium." To achieve this, the entire nation must strive to successfully attain a series of primary norms during 1990: in grain, 21 to 22 million tons in paddy equivalent (with 19 million tons of paddy); in food, 13 million hogs, 6.5 million buffaloes and cattle and a poultry flock of 120 million birds with an output of 1.17 million tons of meat and 3 billion eggs, etc.

If 1988 results are used as a basis for development during the following 2 years, the norms that must be attained during 1990 are extremely high. In grain for example, during the 2 years of 1989 and 1990, an average of 1 to 1.5 million tons annually must be achieved. The annual average increase during the past 2 years was only 314,500 tons. In many Asian nations, the average annual

grain increase is only 3.5 percent and a 5 percent increase is considered a leap forward. Thus, during the next 2 years, our grain production must continually leap forward and stabilize during each year.

However, it must be recognized that at the output level proposed for 1990, the grain crop yields per hectare are 32 quintals for rice, 20 quintals for corn, 100 quintals for cassava and 72 quintals for sweet potatoes, all still lower than that attained by 27 developing Asian nations since 1986: 32.9 quintals for rice, 25.8 quintals for corn, 116.4 quintals for cassava and 168.3 quintals for sweet potatoes. Clear realization of this fact is necessary to avoid an ideology of pessimism and doubt in the grain output norms proposed for 1990. Steadfast achievement of the grain and food program, with a viewpoint of solving the food problem of society, is "both an immediately urgent and long-term fundamental" mission.

Both the theory and practice of the past 2 years have confirmed that grain and food equilibrium on a nationwide scale and within each territorial location must be considered a paramount mission of all sectors and echelons. An ideology of dependence or concern only for one's own sector or local area cannot create a nationwide equilibrium in supply and demand to stabilize prices and the market. At the same time, grain and food production cannot be separated from the mission of family planning to reduce the population growth rate—synonymous with a reduction in the rate of increase in grain and food requirements.

The program must be totally and uniformly developed: both paddy and subsidiary food crops, from farming, stock raising, exploitation and aquatic products, both production and maintenance, processing, distribution, circulation, consumption, etc. Mechanisms and policies must be perfected, continually revised and supplemented to free the production strength of tens of millions of farmers and uphold the supervisory role of the state economic component. Good coordination between market planning and commodity circulation freedom is necessary, avoiding a tendency of forbidding marketing and impeding life under every general form while simultaneously resisting management laxity and drifting of the grain and food market.

Achievement of the grain and food program must be closely connected with construction of the socialist new rural area. The development of trades and small industry and handicrafts with different scales and forms to create additional jobs and reduce the division between rich and poor is a course that can be expanded in all rural regions. At the same time, emphasis on the solution of other social problems, especially families regularly suffering food shortages or farmers encountering natural disaster, by special measures and a rational system of insurance.. will create a capability for further developing production strength and stabilizing the socioeconomic situation in the rural area in particular and in the country in general.

Economic News Briefs

*BK2706114089 Hanoi VNA in English
0716 GMT 27 Jun 89*

[Text] Hanoi VNA June 27—The cacao company of the Mekong River Delta province of Cuu Long is cooperating with the Estonian Soviet Socialist Republic in building a cacao processing factory in the province.

The factory with a yearly capacity of 2,000 tons will produce chocolate cakes and candies. Besides the existing 400 ha of cacao, the province is now planting 150 more hectares of high yield cacao varieties.

For its part, the Mekong River Delta province of Long An since the beginning of this year has exported almost 1,000 tons of feather, a threefold increase over the same period last year.

The province has invested 300 million dong in re-equipping the local feather processing factory, increasing its capacity fivefold.

In the first half of this year, the Union of Mulberry and Silkworm Factories has exported 30 tons of silk to India, Singapore, Thailand, and Hong Kong.

Greater investments have been made in building silkworm factories in the central highlands province of Lam Dong.

SOCIAL

Revisions to People's Council Elections Discussed
*42090294a Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 9 May 89 p 1*

[Editorial: "Law for a Truly Democratic People's Council Election"]

[Text] The Council of State has decided to promulgate a draft law revising and supplementing the law on electing people's council delegates and to arrange for the collection of public suggestions before introducing the draft to the National Assembly for approval in the coming 5th session. This draft law revising and supplementing the law on electing people's council delegates is aimed at developing the collective ownership of the people, expanding socialist democracy and increasing the effectiveness of state agencies in the local area. Thoroughly understanding the spirit of the 6th Party Congress resolution on democracy and renovation, every citizen is responsible for contributing to the chapters and sections of the draft law with special concentration on suggestions for articles of the law that truly ensure the collective ownership of the people and that delegates truly trusted by the people are elected.

Due to suggestions contributed by the people, the recent elections of people's councils at all levels showed some progress but the real situation in several locations indicates that elections still fail to fully express the viewpoint of using the people as the supporting base, with still many occurrences of a lack of democracy during the election process. This acquisition of public opinion on the draft law for revising and supplementing the law on electing people's council delegates is aimed at overcoming the shortcomings above, and more fully developing the collective ownership of the people. Mass and social organizations, agencies, enterprises and other organizations must thoroughly gather the opinions of association members, group members, workers, civil servants and other laborers. It is suggested that Fatherland Front committees at all levels organize the collection of ideas and suggestions from every citizen of every circle and class, even from those outside mass and social organizations. Favorable conditions must be created for citizens to contribute their opinions, and these ideas may be sent to the municipal office representing the National Assembly, and the offices of the Municipal Fatherland Front Committee and Municipal People's Council for summarization and delivery to the offices of the National Assembly and Council of State. These opinions must also be published by mass communication agencies and forwarded to deputies of the National Assembly to broaden the discussion at the coming 5th session. According to announcements from the offices of the National Assembly and Council of State, the deadline for receipt of "suggestion letters" is 25 May 1989. Therefore, it is necessary to actively and urgently organize dissemination and the broad collection of opinions from every citizen.

Thus far, readers far and near have contributed many opinions on people's council elections and SAIGON GIAI PHONG has published them in the column "Speak Frankly, Speak the Truth Forum." This time, from now until 25 May 1989, SAIGON GIAI PHONG will reserve the same column for publishing opinions contributed by the people on this important draft law.

Binh Chanh District Settles Land Disputes
*42090294b Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 10 May 89 p 1*

[Text] On 6 May, Nguyen Vo Danh, Deputy Secretary of the Standing Committee of the Municipal Party Committee, arrived to work on the land problem with the Standing Committee of the Binh Chanh District Party Committee and representatives of concerned sectors in the district. He reminded that Binh Chanh must provide full explanations so that every cadre, party member and farmer can clearly understand party resolutions and state regulations for correct compliance. It must be affirmed that land belongs to all society and that one has only the right of use and not of ownership.

Concerning problems among the farmers, a campaign of persuasion is primary while simultaneously initiating

necessary administrative measures to resolutely legally prosecute those taking advantage of the situation to agitate or break the law.

Recently, on the basis of specific study, the district promptly resolved several land disputes. More than 600 hectares of land that was previously issued improperly or in excess of standards was reallocated to more than 2,000 farmers. Land use permits were issued to 3,693 of a total of 4,678 farmers examined, with a total of 2,241 hectares of the total of 2,914 hectares examined. During the first 4 months of 1989, the villages recovered 3.8 hectares and accepted 10 hectares from the people for division among 38 farm households. Nevertheless, there are still many complexities in the situation with 60 out of 600 households within the purview of welfare policy and more than 500 hectares of land still openly occupied.

Biotechnology Association Established

*BK3006091789 Hanoi VNA in English 0708 GMT
30 Jun 89*

[Text] Hanoi VNA June 30—The Vietnam Biotechnology Association with Prof. Dr Le Van Nhuong as president was set up here yesterday at a meeting of scientific and technical workers from various branches, localities and research institutes.

The meeting elected a 14-member executive committee of the association which is a mass organization concerned with the research and application of advanced achievements in microbiological techniques, enzymology, cytology, tissue culture, genetics and the production of bioengineering equipment.

The association's membership is open to all economic sectors, including the private sector, and overseas Vietnamese.

'Millions' Suffering From Iodine Deficiency

*BK2606091789 Hanoi VNA in English
0637 GMT 26 Jun 89*

[Text] Hanoi VNA June 26—A national symposium on goiter prevention was held here yesterday.

Among those present were Dam Quang Trung, secretary of the party Central Committee and vice-president of the State Council; Nguyen Khanh, vice-chairman of the Council of Ministers; Hoang Truong Minh, head of the Commission for Nationalities; Prof. Pham Song, minister of public health; representatives of the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), and the Belgian and Australian Embassies in Hanoi.

Prof. Pham Song presented a report on the goiter situation and the iodine deficiency-related disease prevention strategy in Vietnam up to and after the year 2000.

The participants noted that goiter and cretinism due to iodine deficiency have posed a threat to the health and mental development of millions of people in Vietnam's mountain and midland provinces. They also discussed measures to combat the diseases.

The symposium issued a statement in response to the declaration and petition made by the New Delhi March 1989 international conference on abolishing iodine deficiency-related diseases, which was jointly held by WHO, UNICEF and the International Council for Iodine Deficiency Disorder Center.

BIOGRAPHIC

Biographic Information on Vietnamese Personalities

42090276

[Editorial Report] The following information on Vietnamese personalities has been extracted from Vietnamese-language sources published in Hanoi, unless otherwise indicated. Asterisk indicates that this is the first known press reference to this individual functioning in this capacity.

Tran Tuan Anh [TRAAF TUAANS ANH]

*SRV ambassador to Australia; on 3 May 1989 he visited the chairman and secretary general of the Australian Socialist Party to discuss the Vietnamese troop withdrawal from Cambodia. (NHAN DAN 10 May 89 p 4)

Xuan Anh [XUAAN ANH]

*Head of an office of the Foreign Relations Department of the CPV Central Committee (Vu Truong Ban Doi Ngoai Trung Uong Dang in Vietnamese). His article "World Peace and Regional Conflicts" was published in the cited source. (TAP CHI CONG SAN Feb 89 pp 79-81)

Vu Trong Canh [VUX TRONGJ CANHR] Major General

*Deputy commander, political, Air Defense Service. He wrote an article on the achievements of radar units. (QUAN DOI NHAN DAN 1 Mar 89 p 2)

Nguyen Manh Cam [NGUYEENX MANHJ CAAMF]

SRV ambassador to the USSR; on 3 May 1989 he was present at a meeting between General Secretary Nguyen Van Linh and Mikhail Gorbachev in Moscow. (NHAN DAN 5 May 89 p 1)

Le Doan Dien [LEE ZOANX ZIEEN] Professor, PhD

*Director of the Food Institute. He wrote an article on grain production. (QUAN DOI NHAN DAN 12 Mar 89 p 3)

Nguyen Chi Dung [NGUYEENX CHIS ZUNGX]

Vice minister of light industry; on 3 May 1989 he attended a conference held by the Vietnam-China Friendship Association in Hanoi.

Tran Thien Doan [TRAANF THIEENJ DOAN]

Secretary of the CPV Committee and deputy director of the Railway General Department (Pho Tong Cue Truong Duong Sat); on 21 March 1989 attended a ceremony to launch a campaign to protect the railroads. (GIAO THONG VAN TAI 23 Mar 89 p 8)

**Nguyen Dinh Hong [NGUYEENX DINHF HOONGF]
Colonel**

Deputy director of the Finance Department, Ministry of National Defense. He answered a reader's query in the cited source. (QUAN DOI NHAN DAN 20 Mar 89 p 3)

Phung Ngoc Hung [PHUNGF NGOCJ HUNGF]

*Secretary of the Central Committee of the Ho Chi Minh Communist Youth Union. He was a speaker at an international youth union meeting in Hanoi. (TIEN PHONG 14 Mar 89 p 1)

Nguyen Huy [NGUYEENX HUY]

Director of the Institute of Economic Studies; his article "On the Basic Content and Tasks of the Period of Transition to Socialism in Vietnam" was published in the cited source. (TAP CHI CONG SAN Feb 89 pp 19-25)

**Tran Dang Khoa [TRAANF DAWNG KHOA], aka
Song Huong, deceased**

Former minister of communications and transportation (from March 1946 to September 1955). He was born on 5 April 1907 in Hue, Binh Tri Thien Province. On 18 February 1989 he died at the Vietnam-Soviet Friendship Hospital after a long illness. (GIAO THONG VAN TAI 2 Mar 89 p 1)

Nguyen Ki [NGUYEENX KIF]

*Vice minister of education; his article on democratizing the schools was published in the cited source. (GIAO VIEN NHAN DAN 10 Apr 89 p 1)

Ung Ngoc Ky [UNG NGOCJ KY]

Vice chairman of the Ho Chi Minh City Fatherland Front; on 8 May 1989 he attended a meeting in Ho Chi Minh City to commemorate the 35th anniversary of the Dien Bien Phu victory. (Ho Chi Minh City SAIGON GIAI PHONG 9 May 89 p 1)

Pham Khac Lam [PHAMJ KHAWCS LAMX]

*General director and *editor-in-chief of Vietnam Television; from 3-7 May 1989 he attended an international conference on television broadcasting in Atlanta. (NHAN DAN 15 May 89 p 4)

Vo Nhu Lanh [VOX NHUW LANH]

*General secretary of the Ho Chi Minh City chapter of the Vietnam Journalists Association; he was appointed to this position at a meeting of the association on 22 February 1989. (Ho Chi Minh City TUOI TRE 25 Feb 89 pp 1, 2)

**Pham Hong Lien [PHAMJ HOONGF LIEEN]
Colonel, deceased**

Member of the CPV; deputy commander, political, Air Defense Service. Born in 1930 in Thanh Ha District, Hai Hung Province, he was living in Dong Da Ward at the time of his death on 28 February 1989. (QUAN DOI NHAN DAN 1 Mar 89 p 4)

Tran Linh [TRAANF LINH] *Major General

*Deputy commander, political, Border Defense Force. He attended a meeting on the 30th anniversary of the force. (QUAN DOI NHAN DAN 2 Mar 89 p 2)

**Nguyen Thien Luan [NGUYEENX THIEENJ
LUAAN] MS**

Vice minister of agriculture and food industry. He wrote an article on manufacturing marine products. (QUAN DOI NHAN DAN 26 Feb 89 p 3)

**Nguyen Van Luan [NGUYEENX VAWN LUAAN],
*Major General**

Deputy director of the People's General Police Department, Ministry of the Interior; on 25 March 1989 he co-chaired a conference held by his ministry. (GIAO THONG VAN TAI 30 Mar 89 p 1)

**Nguyen Van Luong [NGUYEENX VAWN
L UWOWNG]**

Deputy secretary of the CPV Committee, chairman of the People's Committee, Binh Tri Thien Province; recently he welcomed an overseas Vietnamese from Laos. (GIAO THONG VAN TAI 9 Mar 89 p 1)

Hoang Vi Nam [HOANGF VIX NAM]

Editor-in-chief of the social science journal THONG TIN KHOA HOC XA HOI; his name appeared on the masthead of the cited source. (THONG TIN KHOA HOC XA HOI Jun 88 p 120)

Thanh Nho [THANH NHO]

He was relieved of his position as general secretary of the Ho Chi Minh City chapter of the Vietnam Journalists Association at a meeting on 22 February 1989. (Ho Chi Minh City THOI TRE 25 Feb 89 pp 1, 2)

Thai Ninh [THAIS NINH]

*Deputy director of the Proselytizing Department of the CPV Central Committee; recently he attended a round table conference to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Cao Phong [CAO PHONGF; aka Nguyen Dang Ngo, Major General, deceased]

Born in 1922 at Cao Thanh village, Ha Son Binh Province, member of the CPV, deputy director of the People's Police General Department of the Ministry of Interior (Pho Tong Cuc Truong Tong Cuc Canh Sat Nhan Dan Bo Noi Vu); he died on 5 November 1988 at the 198th Military Hospital. (NHAN DAN 8 Nov 88 p 4)

Tran Xuan Phoi [TRAA NF XUAAN PHOOIS]

*Director of Area II Department, Ministry of External Economic Relations; on 5 May 1989 he attended a conference held by the SRV embassy in Paris to discuss the openness policy in Vietnam. (HANOI MOI 8 May 89 p 4)

Hoang Phuong [HOANG F PHUWOWNG] Lieutenant General

Director of the Military History Institute. He was interviewed on the most urgent tasks in military history studies. (QUAN DOI NHAN DAN 21 Mar 89 p 1)

Nguyen Van Quang [NGUYEENX VAWN QUANGR]

Vice minister of war invalids and social welfare; on 6 May 1989 he attended a conference on retirees. (Ho Chi Minh City SAIGON GIAI PHONG 7 May 89 p 1)

Nguyen Rang [NGUYEENX RAWNG], Major General

*Commander of the Ho Chi Minh City Municipal Militia (Luc Luong Vu Trang Thanh Pho); on 8 May 1989 he gave a speech to commemorate the 35th anniversary of the Dien Bien Phu victory. (Ho Chi Minh City SAIGON GIAI PHONG 9 May 89 p 1)

Chu Van Ri [CHU VAWN RIJ]

*Secretary of the CPV Committee, Thai Binh Province; his name and position were mentioned in an article on Dien Bien district published in the cited source. (NHAN DAN 6 May 89 p 3)

Tran Sam [TRAA NF SAAM] *Colonel General

*Deputy minister of national defense. He recently attended a technical conference organized by his ministry. (QUAN DOI NHAN DAN 9 Mar 89 p 1)

Tran Tho Sinh [TRAA NF THOJ SINH] Colonel, deceased

Member of the CPV; former chief of staff of the 860th Division, 5th MR. Born in 1932 in Phu Khanh Province, he died on 7 March 1989. (QUAN DOI NHAN DAN 16 Mar 89 p 4)

Ho Xuan Son [HOOF XUAAN SOWN]

Editor-in-chief of HANOI MOI; on 13 May 1989 he spoke at a conference held by HANOI MOI to discuss the development plan of Hanoi Municipality. (HANOI MOI 15 May 89 p 1)

Duong Thiet Son [ZUWOWNG THIEETS SOWN], aka Duong Van Khoan, deceased

Born on 20 May 1910 at Duong Noi village, Hoai Duc district, Hanoi Municipality; former member of the CPV Committee, Phuc Yen Province; he was also secretary of the CPV Committee in Bac Can Province, SRV general consul in Indonesia, deputy director of the Foreign Affairs Institute (Truong Dai Hoc Ngoai Giao), deputy director of Asia Department 1 and director of West Asia/Africa Department at the Ministry of Foreign Affairs, SRV ambassador to Tanzania, Somalia, Zambia and Madagascar; he died on 30 April 1989 at the Vietnam-Soviet Friendship Hospital. (NHAN DAN 1 May 89 p 4)

Pham Van Son [PHAMJ VAAN SOWN]

*SRV ambassador to Ethiopia; on 7 April 1989 he discussed the communique on the SRV troop withdrawal from Cambodia. (NHAN DAN 11 Apr 89 p 1)

Dong Si Tai [DOONG SIX TAI F] *Colonel

*Deputy commander, political, Chi Lang Corps. He wrote an article on strengthening the party apparatus within the corps. (QUAN DOI NHAN DAN 23 Feb 89 p 2)

Nguyen Phuc Thanh [NGUYEENX PHUCS THANH], Major General

Commander of Huong Giang Group (Doan); his name and unit were mentioned in an article about the 203 Brigade (Lu Doan). (NHAN DAN 28 Apr 89 p 3)

La Thang [LA THAWNG]

Secretary of the CPV Committee, Lang Son Province; his article "Lang Son: 10 Years of Standing Firmly at the Front Line" was published in the cited source. (TAP CHI CONG SAN Feb 89 pp 39-44, 53)

Vu Thang [CUX THAWNGS]

Secretary of the CPV Committee, Binh Tri Thien Province; recently he welcomed Chairman of the Council Ministers Do Muoi visiting Binh Tri Thien. (NHAN DAN 10 May 89 p 1)

Bui Quang Than [BUIF QUANG THAANJ], no rank mentioned

*Commander of 203d Brigade; his name and unit were mentioned in an article published in the cited source. (NHAN DAN 28 Apr 89 p 3)

Le Duc Thien [LEE DUWCS THIEEN] Colonel, deceased

Former deputy commander of the 309th Division; member of the CPV. Born in 1937 in Bac Binh District, Thuan Hai Province, he died on 12 February 1989. (QUAN DOI NHAN DAN 1 Mar 89 p 4)

Mai Chi Tho [MAI CHIS THOJ]

Member of the CPV Central Committee; minister of interior; recently he headed a delegation visiting Cuba. (NHAN DAN 10 May 89 p 1)

Ha Ngoc Tieu [HA NGOCJ TIEEUS], *Major General

*Deputy director of the People's General Police Department, Ministry of the Interior; on 25 March 1989 he co-chaired a conference held by his ministry. (GIAO THONG VAN TAI 30 Mar 89 p 1)

Dang Quoc Tien [DAWNGJ QUOOCS TIEENS]

Chairman of the People's Committee, Bac Thai Province; recently he welcomed Chairman of the Council of Ministers Do Muoi in Thai Nguyen City. (HANOI MOI 5 May 89 p 1)

Pham Van Tich [PHAMJ VAWN TICHS]

*Vice chairman of the People's Committee, Nghe Tinh Province; recently he headed a delegation visiting France. (NHAN DAN 15 May 89 p 4)

Tran Van Tra [TRAANF VAWN TRAF], Colonel General

On 14 January 1989 he attended a meeting held by the editorial staff of the military history journal LICH SU QUAN SU. (Ho Chi Minh City SAIGON GIAI PHONG 15 Jan 89 p 3)

**Tran Trong Trai
ral, deceased**

Deputy commander of the 4th MR; member of the party chapter, 4th MR. Born in 1930 in Cam Lo District, Binh Tri Thien Province, he died on 1 March 1989 at the 268th Military Hospital in Hue. (QUAN DOI NHAN DAN 2 Mar 89 p 1)

Le The Trung [LEE THEES TRUNG] *Major General, Doctor

*Director of the Academy of Military Medicine; director of the 103d Military Hospital. An article reviewing his academic achievements appeared in the cited source. (QUAN DOI NHAN DAN 1 Mar 89 p 2)

Trinh Ngoc Tru [TRINHJ NGOCJ TRUWX]

*Deputy director of the Physical Education and Sports General Department. He attended a meeting to discuss students' needs in physical education in 1989. (QUAN DOI NHAN DAN 1 Mar 89 p 4)

Nguyen Van Tu [NGUYEENX VAWN TUW]

*Chairman of the Confederation of Vietnamese Workers; his article about his organization was published in the cited source. (NHAN DAN 1 May 89 p 2)

**Nguyen Xuan Tu [NGUYEENX XUAAN TUW]
Colonel, deceased**

Former commander, political, B.22 Division, S.8 Gp, 1st MR; member of the CPV. Born in 1930 in Dan Phuong District, Hanoi. He was living in Ha Bac Province at the time of his death on 1 April 1989. (QUAN DOI NHAN DAN 5 Mar 89 p 4)

Le Duc Anh [LEE DUWCS ANH], Senior General

Member of the Politburo of the CPV Central Committee, minister of national defense; on 18 Jan he headed a delegation to go to Laos to attend the 40th anniversary of the Lao People's Army. (QUAN DOI NHAN DAN 19 Jan 89 p 1)

Tran Tuan Anh [TRAANF TUAANS ANH]

*SRV Ambassador to New Zealand; on 29 Feb 89 he presented his credentials to the Governor General of New Zealand. (HANOI MOI 9 Mar 89 p 4)

**Nguyen Duc Binh [NGUYEENX DUWCS BINH],
Professor**

Director of the Nguyen Ai Quoc Advance Party School; recently he attended a round table conference held by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Nguyen The Bon [NGUYEENX THEES BOON], Lt General

Deputy chief-of-staff of the VPA; he heads a committee that plans to organize a soccer contest in December 1989 for the 45th anniversary of the VPA. (Ho Chi Minh City SAIGON GIAI PHONG 30 Mar 89 p 4)

Doan Tran Canh [DOANF TRAA NF CANHR]

*SRV ambassador to Angola; on 12 Apr 89 he attended a reception held by the Foreign Ministry of Angola. (NHAN DAN 20 Apr 89 p 4)

Nguyen Ky Cam [NGUYEENX KYS CAAMR]

By decision of the State Council on 27 Apr 89, he was relieved of his position as minister of labor, war invalids, and social welfare to become *Head of the State Control Commission. (HANOI MOI 28 Apr 89 p 1)

Dao Duy Can [DAOF ZUY CAANJ]

Director of Party Building Institute, Marx-Lenin Institute; recently he attended a round table conference organized by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Lu Minh Chau [LUWX MINH CHAAU]

By decision of the State Council, on 27 Apr 89, he was relieved of his position as director of the State Bank. (HANOI MOI 28 Apr 89 p 1)

Pham Nhu Cuong [PHAMJ NHUW CUWOWNG]

Head of the Vietnam Social Commission; on 28 Apr 89 he attended a conference in Bangkok on Indochina. (HANOI MOI 1 May 89 p 4)

Cao Van Dom [CAO VAWN DOWMR], *Major General

Director of the Rear Services Department of 9th Military Region; his name and rank were mentioned in an article on 9MR. (NHAN DAN 10 Apr 89 p 3)

Hoang Ngoc Ha [HOANGF NGOCJ HAF]

Member of the Proselytizing Committee of the CPV Committee, Hanoi Municipality. He wrote an article in the cited source on fighting social ills. (DAI DOAN KET 25 Feb-3 Mar 89 p 3)

Dang Vu Hiep [DAWNGJ VUX HIEEPJ], *Colonel General

Deputy chief of the Political General Department; on 18 Jan 89 he went to Vientiane to attend the 40th anniversary of the Lao People's Army. (QUAN DOI NHAN DAN 19 Jan 89 p 1)

Tran Dinh Hoan [TRAA NF DINHF HOAN]

*Minister of labor, war invalids, and social welfare; on 27 Apr 89 he was appointed to this position by decision of the State Council. (HANOI MOI 28 Apr 89 p 1)

Ngo Thi Hue [NGOO THIJ HUEEJ] aka Mrs Nguyen Van Linh

On 24 Apr 89 she accompanied General Secretary Nguyen Van Ling on a visit to Havana. (HANOI MOI 26 Apr 89 p 1)

Vu Nhat Khai [VUX NHAATJ KHAIR], MA in philosophy

Deputy head of Philosophy Department, Nguyen Ai Quoc Institute; recently he attended a round table conference held by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Tran Ngoc Khanh [TRAA NF NGOCJ KHANH]

Chairman of the People's Committee, Song Be Province; on 14 Apr 89 he held a press conference in his province. (Ho Chi Minh City SAIGON GIAI PHONG 21 Apr 89 p 4)

Nguyen Nam Khanh [NGUYEENX NAM KHANH], *Colonel General

Deputy chief of the Political General Department; on 18 Jan 89 he attended the 40th anniversary of the Lao People's Army held in Hanoi. (QUAN DOI NHAN DAN) 19 Jan 89 p 1)

La Ngoc Khue [LAX NGOCJ KHUEE], MA, Professor

*Head of Science and Technology Department, Ministry of Communication and Transportation; he wrote an article published in the cited source on economic production and the progress of science and technology. (GIAO THONG VAN TAI 12 Jan 89 p 4)

Nguyen Huu Khuong [NGUYEENX HUWUX KHUWOWNG]

Deputy director of the Ho Chi Minh City Public Security Forces; on 22 April 89 he attended a meeting held by the city's People's Committee. (Ho Chi Minh City SAIGON GIAI PHONG 23 Apr 89 pp 1-2)

Cao Si Kiem [CAO SIX KIEEM]

Secretary of the Executive Committee of the Thai Binh Province CPV Committee; *general director of the State Bank; he was appointed to the latter position by decision of the State Council on 27 Apr 89. (HANOI MOI 28 Apr 89 p 1)

Ho The Lan [HOOF THEER LAN]

Deputy director of Press and Information Department and spokesman for the Ministry of Foreign Affairs; on 20 Apr 89 he/she met with the press. (HANOI MOI 21 Apr 89 p 4)

Nguyen Van Lam [NGUYEENX VAWN LAAM]

*Acting chairman of the People's Committee, Vinh Phu Province; on 14 Apr 89 he attended a ceremony held in Vinh Phu for King Hung's anniversary. (Ho Chi Minh City SAIGON GIAI PHONG 15 Apr 89 p 1)

Khieu Anh Lan [KHIEEUS ANH LAAN], *Major General

*Commander of 497 Front; on 14 Apr 89 he gave a speech to commemorate the 10th anniversary of the 497 Front. (Ho Chi Minh City SAIGON GIAI PHONG 16 Apr 89 p 1)

Nguyen Ngoc Long [NGUYEENX NGOCJ LONG], MA in philosophy

Head of Philosophy Department, Nguyen Ai Quoc Institute; recently he attended a round table conference organized by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Pham Tam Long [PHAMJ TAAM LONG]

Vice minister of Interior; on 17 Apr 89 he attended a press conference in Hanoi to discuss a new regulation on criminal investigation. (Ho Chi Minh City SAIGON GIAI PHONG 19 Apr 89 p 1)

Tran Van Luu [TRAAF VAWN LUWJ]

Vice minister of Communication and Transportation; on 10 Mar 89 he attended a conference on the manufacturing of autobuses. (GIAO THONG VAN TAI 16 Mar 89 p 2)

Thai Ninh [THAIS NINH]

*Deputy director of Department of Propaganda and Training of the CPV Central Committee; recently he attended a round table conference organized by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Phan Huu Phuc [PHAN HUWUX PHUCJ]

Vice chairman of the Vietnam Fatherland Front, Cuu Long Province; his article on social order was published in the cited source. (DAI DOAN KET 25 Feb-3 Mar 89 p 3)

Pham Lan Phuong [PHAMJ LAN PHUONG]

*Deputy director of Europe Department 2, Ministry of Foreign Affairs; on 20 Apr 89 he/she met with the French ambassador in Hanoi. (HANOI MOI 21 Apr 89 p 4)

Tran Van Quang [TRAAF VAWN QUANG], Colonel General

Vice minister of Defense; deputy chief of the VPA General Staff; he was a member of an SRV delegation to Vientiane that attended the 40th anniversary of the Lao People's Army on 18 Jan 89. (QUAN DOI NHAN DAN 19 Jan 89 p 1)

Nguyen Dang Quang [NGUYEENX DAWNG QUANG]

*Editor-in-chief of GIAO DUC LY LUAN (Journal of Theoretical Education), Department of Propaganda and Training of the CPV Central Committee; recently he attended a round table conference held by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Nguyen Duy Quy [NGUYEENX ZUY QUYS], MA in philosophy

*Deputy director of the Science and Education Department of the CPV Central Committee; recently he attended a round table conference held by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Nguyen Van Si [NGUYEENX VAWN SIX], Major General

His article on renovation was published in the cited source. (QUAN DOI NHAN DAN 11 Jan 89 p 3)

Nguyen Phu Soai [NGUYEENX PHUS SOAIJ]

SRV ambassador to Czechoslovakia; on 18 Mar 89 he gave a speech on SRV foreign policy in Prague. (HANOI MOI 12 Mar 89 p 4)

Huynh Chau So [HUYNHF CHAAU SOOR], aka Nam Be [NAWM BES]

On 27 Apr 89 he was relieved of his position as head of the State Control Commission by decision of the State Council. (HANOI MOI 28 Apr 89 p 1)

Hoang Van Thai [HOANGF VAWN THAIS], *Rear Admiral

On 23 Feb 89 he visited a life-boat rescue unit with the minister of Communication and Transportation. (GIAO THONG VAN TAI 16 Mar 89 p 1)

Le Thi [LEE THI], Professor

Former deputy of Philosophy Institute, Social Sciences Commission; recently he attended a round table conference held by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Nguyen Minh Thong [NGUYEENX MINH THOONG]

Vice minister of agriculture and food industry; on 27 Mar 89 he signed a document for a UNDP project in Hanoi. (Ho Chi Minh City SAIGON GIAI PHONG 2 Apr 89 p 1)

Le Duc Thuy [LEE DUWCS THUYS]

*Deputy director of Institute of Economics, Social Sciences Commission; recently he attended a round table conference held by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Chu Quang Thu [CHU QUANG THUWS]

*Deputy director of Seaway General Department (Tong Cuc Duong Bien); recently he was interviewed by GIAO THONG VAN TAI. (GIAO THONG VAN TAI 5 Jan 89 p 3)

Nguyen Quoc Thuoc [NGUYEENX QUOOCS THUWOWCS], *Lieutenant General

Member of the CPV Central Committee; *commander of the 4th Military Region; he was member of an SRV delegation to Vientiane that attended the 40th anniversary of the Lao People's Army on 18 Jan 89. (QUAN DOI NHAN DAN 19 Jan 89 p 1)

Ha Xuan Truong [HAF XUAAN TRUWOWNGF]

*Editor-in-chief of TAP CHI SONG SAN (Communist Review); recently he attended a round table conference organized by TAP CHI CONG SAN to discuss renovation in thinking. (TAP CHI CONG SAN Aug 88 p 53)

Tran Duc Tue [TRAANF DUWCS TUEEJ]

*SRV ambassador to Libya; recently he attended conference in Tripoli to promote scientific and economic cooperation between Libya and Vietnam. (NHAN DAN 20 Apr 89 p 1)

Le Xuan Tung [LEE XUAAN TUNGJ]

Alternate member of the CPV Central Committee; assistant to the general secretary of the CPV; on 24 Apr 89 he accompanied General Secretary Nguyen Van Linh on a trip to Havana. (HANOI MOI 26 Apr 89 p 1)

Hoang Quoc Viet [HOANGF QUOOCS VIEETJ]

Honorary chairman of the Presidium of the Vietnam Fatherland Front; recently he headed a delegation to visit two military units on the occasion of the New Lunar Year. (DAI DOAN KET 25 Feb-3 Mar 89 p 5)

Doan Van Xe [DOANF VAWN XEE]

Vice minister of communication and transportation; his article on the relationship between Vietnam and Cambodia in communication, transportation and postal work was published in the cited source. (GIAO THONG VAN TAI 5 Jan 89 p 4)

Nguyen Trong Xuyen [NGUYEENX TRONGJ XUYEEN], *Lieutenant General

*Vice minister of national defense; *director of the Rear Services General Department; his name and position were mentioned in an article on Military Region 9. (NHAN DAN 10 Apr 89 p 3)

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