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# ***JPRS Report***

## **East Asia**

***Southeast Asia***

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# East Asia Southeast Asia

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### **Possible Forced Rehabilitation by Khmer Rouge**

92SE0166B Bangkok *THE NATION* in English  
18 Jan 92 p a4

[Excerpts] Thai soldiers are guarding this border camp to stop renewed moves by the communist Khmer Rouge to force refugees back into zones they control in Cambodia.

Most refugees want to return under a United Nations repatriation programme, officers and camp residents said.

But Ta Mok, the Khmer Rouge's most notorious field commander and the local warlord, has other ideas, they said.

"Ta Mok has repeatedly asked us to let him take people back from this camp. He says he has enough land for his people. I rejected the requests," a Thai officer, who declined to be named, said on Thursday. [passage omitted]

"The refugees here are still in a state of fear because a group of about five to 10 armed men are still sneaking into the camp at night and forcing people to go back," a Thai ranger soldier said.

Cheun Sopeak, 34, a mother of four, said: "I am so scared that in the night we do not light lamps. We hide in the dark when they come to take us."

The Thai army backed the Khmer Rouge throughout the war. But more than 200 Thai rangers and regular troops are now deployed around this camp near the borders with Laos and Cambodia, the officer said.

Personnel of the Displaced Persons Protection Unit, a Thai force established under UN auspices, guard the front gate. [passage omitted]

"Ninety per cent of the people in this camp, including I myself, will go back with the UNHCR. I will settle down peacefully as a farmer, I will quit politics. It gives me a headache," said 40-year-old camp deputy chairman Kaung Yai.

Soldiers said the Khmer Rouge were still trying to lure people to Ta Mok's fiefdom in Alung Veng with promises of land.

A group of 275 was ordered over the border in November.

"That was the first and last group we allowed to go back openly but there are still attempts to take people back," the officer said. "Mention of Ta Mok scares people to death."

The one-legged Ta Mok was a senior army commander in the Khmer Rouge's 1975-79 reign of terror under Pol Pot. He still rules in Alung Veng and has extensive business interests in the neighbouring Thai province of Sisaket.

### **Intelligence on Sihanouk Forces Illegal Logging**

92SE0173A Bangkok *NAEO NA (LOK THURAKIT SUPPLEMENT)* in Thai 28 Jan 92 pp 7, 9

[Excerpt] [passage omitted] A news source in the National Intelligence Office told LOK THURAKIT that the National Intelligence Office recently sent a report to the Ministry of Interior concerning the activities of the P.O.R. Construction Company, which has been granted a logging concession in Cambodia opposite Surin Province. This company has asked the Ministry of Interior to open a temporary border transit point. The report stated that in cooperation with forces of Prince Norodom Sihanouk, this company has secretly felled a large number of trees in a Thai forest preserve in the Thung Ma-Bak Dai and Ta Bao areas in Kap Choeng District, Surin Province.

The P.O.R. Company was granted a five-year timber concession in Cambodia starting at the end of 1990. It signed an agreement to purchase 100,000 trees totaling 1.5 million cubic meters within the area of control of the Sihanouk forces. This company has asked the Ministry of Interior to open a temporary border transit point at the Krang Pass, Ban Nong Taloep, Bak Dai Subdistrict, Kap Choeng District.

While studying the data, the Ministry of Interior asked the National Intelligence Office to verify the [boundaries of the] Thung Ma-Bak Dai and Ta Bao forest preserve areas, because it had received complaints that Sihanouk forces were secretly felling trees and selling them to this company. Moreover, a subdistrict chief in Surin Province, whose initial is "Y," has been hired to help Thais along the border fell trees in the forest preserve and claim that this is timber imported from Cambodia.

"The investigation conducted by the Intelligence Office found that during the period January to May 1991, Sihanouk forces felled trees in those forest preserves and sold them to this company. Colonel Hun Fuanrong, the commander of the Cambodian King's Guard Forces, ordered Col. Savong Supon, the deputy commander of the 1st Division, to handle this matter and make all the necessary preparations. If permission is granted to open a temporary border transit point, they will say that this timber is from Cambodia. At the end of May 1991, forest officials in Surin Province found that more than 1,000 trees in the forest preserve had been felled. The logs were taken and stored at Forest Protection Unit 6 at Ban Fao Rai, Bak Dai Subdistrict, Kap Choeng District. They arrested Col. Savong Supon and charged him with felling trees in Thailand."

The news source said that besides this, the National Security Center sent a report to the Ministry of Interior on these illegal timber felling activities. The report stated that the P.O.R. Company is apparently involved in illegal activities and that the units concerns should conduct an investigation to ascertain the facts so that action can be taken against the company and the people involved in accord with the law.

"Such actions pose a threat to our national security," said the news source. He also said that the Ministry of Interior has informed the governor of Surin Province, Mr. Thaloeng Charoensi. Mr. Thaloeng sent a letter to Mr. Chatchawan Mulasat, the forestry officer in Surin Province, at the end of December informing him of the report filed by the Intelligence Office and ordering him to take action in accord with his duties.

However, in an interview with LOK THURAKIT, Mr. Thaloeng denied knowing anything about this. He did say that officials had in fact seized some timber in the area mentioned.

Mr. Chatchawan told LOK THURAKIT that he and a team of BPP [Border Patrol Police] officials and soldiers had arrested Col. Savong Supon and four other Cambodian soldiers as they were felling timber inside Thailand. They have been turned over to the court for prosecution. All of those arrested are being held in the Surin provincial jail.

Mr. Chatchawan said that he has frequently sent officials to inspect that area in order to prevent Cambodian soldiers from secretly felling trees. But they have encountered many obstacles. One of the main problems is that the Cambodian soldiers have planted mines inside Thailand.

"When we went to arrest Col. Savong, they fired at us with RPGs [Rocket Propelled Grenades]. There was a fierce clash. As the Cambodian soldiers were transporting the logs, they planted tank mines along the road, too. Fortunately, we found these before anyone was injured."

#### **National Bank Chief Cha Rieng Profiled**

92SE0161A Bangkok MATICHON SUT SAPDA  
in Thai 24 Jan 92 pp 21, 22

[Report of Interview with National Bank Chairman Cha Rieng on 14 Nov 91; place not given]

[Excerpts] "My parents were from Trat Province."

This statement was made by Mr. Cha Rieng, the chairman of the Bank of Cambodia and one of the few Thais to serve as a national-level administrator in the government of Mr. Hun Sen, the prime minister in the Heng Samrin regime. This interview was conducted on the afternoon of 14 November 1991. [passage omitted]

Mr. Cha Rieng, or Uncle Cha, who is 64 years old, laughed when we asked him to tell us about himself. But before speaking, he took a deep breath, composed himself, and fixed his gaze on one point for a long time as if the events of the past were right in front of him.

"I was born in 1927 on Koh Kong. My parents had moved to Koh Kong with my grandparents. At that time, Koh Kong still belonged to Thailand. It was France that took the island away from Thailand and made it a part of Cambodia. But the first group of people to settle there

were Thais. Altogether, there were six families. All of them were farmers. Thus, we knew the Thai language, because our teachers taught us Thai. After completing grade 4, I dropped out of school, because there were no teachers. I had completed the highest grade. Thus, we had to find books to read on our own. I read everything that I could get my hands on."

Mr Cha Rieng stopped and took a breath and then continued in a hard voice:

"At that time, we were stateless people. Because when France seized the island, the six Thai families were cut off from the Thai mainland. I was born after France annexed Koh Kong. Thus, I was a Thai with Cambodian citizenship. At that time, we accepted French rule. But as time went by, neither the Thais nor the Cambodians who had come and settled there later received anything from the French. We had to work very hard, but the French collected very high taxes. We couldn't put up with it any longer and so we rebelled. It was a group of Thais on Koh Kong who took the lead in mobilizing the Cambodians to rise up and resist the French. Cambodia gained its independence and was no longer a colony of any country. We put down our weapons and returned to our fields. Gen. Lon Nol was appointed prime minister of the country with Prince Sihanouk at the head."

Cha Rieng again paused to take a breath.

"But the war in Cambodia did not stop. Not long after we laid down our arms, Gen. Lon Nol betrayed the people of the country by siding with the Americans. The first thing that he did was to slaughter those who had overthrown the French, that is, us."

This fighting marked the beginning of the civil war in Cambodia, which was promoted by outsiders such as the Americans.

"In the wake of the coup carried out by Gen. Lon Nol in 1970, Prince Sihanouk and his family had to flee to Vietnam and then take refuge in China."

Cha Rieng said that in the wake of that, the people on Koh Kong had to take up arms once again. The activist at that time was Pol Pot, who succeeded in driving out the Americans and the traitors. Prince Sihanouk was asked to return home. Pol Pot would govern the country in the same capacity as Gen. Lon Nol. But history repeated itself when Pol Pot began to suspect those who had joined forces with him and taken up arms to drive out the invaders.

That began when he asked those who had played an important role in the struggle against Gen. Lon Nol to come to Phnom Penh to report in. The first group of 36 people to go were never heard from again. Those left on Koh Kong were ordered to go to Phnom Penh. More and more people left and were never seen again.

"Those of us who were left became suspicious. Finally, we decided to flee to Khlong Yai in Trat Province. By that time, we were sure that Pol Pot wanted to exterminate all revolutionaries."

We asked him how many years he spent fighting. He said that he has been a fighter almost his entire life. He said that there were only about 20 years when he didn't have a gun in his hands. But the time when he was the most angry was when Gen. Lon Nol ordered his men to slaughter the people on Koh Kong.

"At that time, I was not at home. When I returned home, I found that the soldiers had killed my wife, who was Thai. I was so angry that I followed those soldiers. I grabbed a rifle from a soldier and killed them."

After answering our questions, Cha Rieng took us back to 1974, the year that he fled to Trat Province in order to escape from Pol Pot. "I stayed there about three to four years. Then, the Thai Government announced that it would grant Thai citizenship to those who had fled the war in Cambodia. I was thinking about becoming a Thai citizen when Cambodia was liberated on 7 February 1979 by Cambodians who had split away from Pol Pot and formed an alliance with Vietnam.

"When I heard this, I decided to return to Cambodia and so I did not apply for Thai citizenship. When we returned to Phnom Penh, we were given special consideration by the government formed by Mr. Heng Samrin. Mr. Hun Sen was appointed prime minister. That was because we were the first group of revolutionaries.

"I did not have any degree in finance or know anything about economics. But the government assigned me this position and so I had to do this. Initially, I had to rely on Vietnamese banking experts to provide help. I have had to develop myself in order to learn about finance and banking. I felt that we should establish a school to teach finance. That would enable us to develop our own experts. We wouldn't have to rely on foreigners.

But after this school was built, we did not produce even one banker, because the school was transferred to the Ministry of Interior. Instead of bankers, the school produced police officers."

He stopped and laughed a little. His face had the glow of good-natured people in general. It was difficult to image that this small man sitting opposite us had once taken up arms and fought in a very bloody war. But in his eyes, you could see something hard and sad, too, when he related the events of the past 40 years. [passage omitted]

Economic reform is one of the primary concerns of this government. Cha Rieng told us some of the obstacles that he faces in doing his job:

"As the person responsible for the monetary and banking affairs of the country, I tried to study this and make comparisons with other countries and see how they did things. One of the things that I learned was that we had to have a national bank. I tried for a long time to bring

this about, but other ministers did not agree. They did not understand the need to have a national bank. Then, in 1988-1989, I succeeded. Others saw my point and began to support me, with the result that I was finally about to establish a national bank. By the end of this year, the national bank that I established will move to a new and better location. Now that Vietnam no longer has any influence in Cambodia, I am studying Thailand's laws instead. I have studied many Thai laws. Recently, the assembly approved a foreign currency exchange control law. This law is based on Thailand's law. This law focuses on foreigners entering and leaving Cambodia, the exchange of currencies, and the problem of controlling those who bring in and take out gold and gemstones. We are now studying Thailand's tax laws, because in the future, people here will have to pay taxes to the state."

We wanted to ask him about those who had been his comrades in arms. We asked him where they were now. He said:

"We all returned to Phnom Penh together. There are four other people from my group who are now doing well in Phnom Penh. One is Gen. Tia Ban, the minister of defense. Another senior person is Sai Phuthong, the vice president of the country. The third is Mr. Thong Chon, the deputy minister of interior. The fourth is the governor of Phnom Penh, Mr. Rung Thammaket. All of us are now growing old. I am 64 years old. I have twice asked to retire, but I have not been given permission. During the final years of my life after I retire, I hope to settle down in Thailand with my wife. I won't return to Cambodia, because I am not Cambodian and I do not think like a Cambodian."

Another reason given by Cha Rieng was:

"I have never really admired the monks in Cambodia. The monks here are not strict about the precepts. Merit making activities are not carried on properly. There is no system. I believe that if we make merit with highly moral people, we will gain much merit. If we do this with ordinary people, we will gain little merit. Thus, I want to spend my few remaining years at a Thai temple, because I do not own a house or any land in Thailand."

We didn't think that he had heard about the worldly affairs involving monks in Thailand that have been reported in the Thai press. We asked him about this. But after listening to this, he praised Thai monks. He said that "I have read the newspapers and followed the news in Thailand. As for monks such as Phra Nikon becoming involved with women, I am aware of that. But I don't think that many monks are involved in such things. You can't use that to conclude that all monks are like that. We can choose the monk in whom we want to place our trust. We don't have to place our trust in all monks." [passage omitted]

### Economist Explains Riel Fluctuations

92SE0178B Bangkok BANGKOK POST in English  
6 Feb 92 p 15

[Article by instructor at Phnom Penh Institute of Economics Robin Davies: "Cambodia Experienced a Riel Contradiction"]

[Excerpts] The Cambodian economy, often described as a "basket case", remains full of contrasts.

Phnom Penh's mini-boom is taking place alongside the miserable subsistence level lived by the peasants outside the capital.

Newly renovated old-style French colonial villas are rented out at enormous sums while home for the majority are shacks built on stilts.

The differences in every walk of life remain enormous. With *capitalisme sauvage* beginning to affect all walks of life as the country moves from Marx to market, these disparities can only widen.

Recently a new development has come to the fore. It has become the talk of the expatriate community as well as those who have to change US dollars at the little all-purpose shops near the Central Market. The subject of conversation is simply: "What has happened to the dollar over the last four months?"

The apparent contradiction in the relationship between the riel and the dollar is staggering.

Last September, the greenback was trading at an unofficial rate of around 1,150 riels to the dollar. But in January this year the kerbside value of the riel had doubled to within a band of 530-690 riels to the dollar, with a startling high of 350 riels/\$1 in one extraordinary week just before Christmas.

In Phnom Penh, at least, the exchange rate is no longer a subject of academic interest only.

How can one explain what has happened?

The riel is a little-known currency. It is not backed by any foreign exchange reserves and neither is it convertible in the outside world. Moreover, nothing has happened in Cambodia to justify such an enormous strengthening of the local money against the almighty dollar, even if the US currency is currently trading weakly on the world's foreign exchange markets.

Any adjustment of the market rates of exchange to take account of different rates of inflation in Cambodia and the United States would show just how absurd the situation really is. Cambodia's inflation is much higher, which would normally mean the riel should fall in value against the dollar. So how can it be explained?

Exchange rates are a key price figure in any economy—they affect the cost of imported goods, the rate of inflation and many other factors. Therefore, economists

have developed several theories to explain why exchange rates vary. One may well ask whether these insights throw any light on the Cambodian scene.

The first theoretical explanation says, in essence, that the rate at which two currencies are exchanged is determined by differences in the growth of money supply—the total stock of money in the economy. If one country's money supply grows faster, the value of its currency is under pressure to fall. (Economists base this analysis on their Quantity Theory of Money.)

This can be illustrated by a simple arithmetical example. When the Cambodian Authorities introduced the new riel (CRI) in March, 1980, they set an official exchange rate of four riels per dollar.

Although information remains scarce about what really happened at that time, it appears that this benchmark figure was arrived at from estimates of how many riel it would cost to produce a dollar's worth of Cambodian goods for export. One riel was also supposed to be equivalent to 1 kg of rice. [passage omitted]

Cambodians themselves use small blocks of 24K gold called "*chi*"—which weigh 3.75 gram—for all really big transactions. But if any outsider need riels to pay for goods or services supplied in Cambodia, then riels have to be bought with another acceptable currency.

Blocks of gold *chi* can be bought with either riels or dollars. The local gold price's daily rate—in riel terms—closely shadows the world price, while the ratio of *chi* to \$100 tends to be stable, meaning that the *chi* can represent the dollar.

Any excess demand for dollars, or *chi*, will fall directly on the available supply of riels. Thus the unofficial exchange rate can vary throughout the day depending on the big merchants' and importers' need for dollars to pay for their imported consumer durables, or for riels to pay government taxes or other local expenses.

A further factor in the equation is the general distrust of the average Cambodian for paper money. After three radical currency changes in the last 20 years, the natural tendency is to change any surplus riels into *chi*, or fractions thereof, as quickly as possible.

Perhaps this is why anyone you ask in Phnom Penh who has anything whatsoever to do with business of any kind can tell you the day's rate for the dollar, or for the *chi*, without even a moment's hesitation.

The "derived" demand explanation can also be demonstrated arithmetically. Before the Paris Peace Treaty was signed last October, and before huge UN-funded dollars were expected to flood into the country, the demand for riels (in terms of dollars) showed a foreign exchange rate of, say, 1,000 riels to the dollar. No one wanted riels, so the exchange rate was low compared with the dollar.

One would expect that if the need for the local currency suddenly became very much greater than available

supply, then the market would bid up the price of the riel. It could very well reach, let us assume for the sake of the argument, \$2 per 1,000 riels. This is more or less what happened, but whether all the aid dollars were the cause needs further examination.

As Cambodia continues to remain a relatively closed economy with a very small foreign trade exposure, all the excess demand for riels will naturally fall on the exchange rate mechanism. There is little room for adjustment through changes in the supply and demand for imports and exports—as would happen in an economy more open to trade, such as Thailand's.

At first glance, then, money supply and "derived" demand in terms of the existing stock of cash provide the key to what might have happened in Cambodia.

But did it? Did the government really and deliberately cut the money supply in half in order to benefit from a massive revaluation of the exchange rate? Any observer of the Cambodian scene would say no. The authorities are barely in control of the economy, if at all.

Alternatively, did the demand for riels, in terms of the vast amounts of dollars allegedly pouring into the country, rise enough to cause an unprecedented strengthening of the riel?

Although this is a favourite explanation, it also seems unlikely. Published estimates of the cost of the UN peacekeeping operation are enormous relative to the country's capacity to absorb financial changes, but most of the money has been handed out in dollars, not riels. The actual amount of dollars that have been converted into riels is still comparatively small.

Although the absence of precise statistics makes unofficial estimates of limited value, they strongly suggest that the idea of a flood of dollars overwhelming the riel does not provide a complete solution to the puzzle.

What then really happened? The answer seems more prosaic, even though an economist would argue that it still conforms with the simple analysis developed here.

Three facts are critical to this explanation. First, Cambodia does not print its own money; currency notes are printed in what was the Soviet Union and then flown to Phnom Penh as and when ordered.

Secondly, soon after the peace treaty was signed the government gave permission to two private banks to set up operations in Phnom Penh. These banks, in order to begin business, had to obtain riels which they obviously bought from the Central Bank.

The sudden and unusually high demand for riels practically exhausted the existing stock of money held by the Central Bank, thereby creating a temporary shortage of riels. This worked to the benefit of the two private banks which suddenly became highly liquid at a time when there was a perceived increase in demand for the local currency.

Thirdly, the expected surge in the demand for riels did actually take place. The UNAMIC peace-keeping force arrived with its dollars, and representatives of countries that had previously boycotted Phnom Penh were prepared to pay over the odds in US dollars for suitable premises to set up their embassies. In both cases, the market believed that their dollars would have to be converted into riels to pay off local costs.

Instead of the two private banks pumping their stock of riels back into the system by matching the increased demand, they held off seizing the opportunity for a classic squeeze. The only loans they were prepared to make available were in US dollars.

Unofficial traders—the prime market-makers—were, as a consequence, starved of funds and reacted accordingly, while the Central Bank was temporarily unable to redress the liquidity shortage.

Thus the short-term monopolistic position of the two private banks enabled them to make a profit of up to 100%, at least, when the market rate was half the official rate at which they had bought their riels. In the circumstances, one could hardly blame them!

Therefore, the current situation will last until such time as the Central Bank receives a fresh supply of riels from the Mint (wherever it is located now that the Soviet Union, as such, no longer exists) and thus increases money supply to match money demand.

Alternatively, of course, the monetary policy makers (and it is a moot point as to whether they are to be found in the Ministry of Finance or the Central Bank), might decide to hold off and let the economy profit from an artificial and unsolicited revaluation in the exchange rate.

It is difficult to know how long this period will last. On the one hand, the government needs riels, if only to pay off the sizeable backlog of salaries to civil servants and the military, plus its other ordinary public sector expenditures.

On the other hand, as the economy moves from a planned to a market system, the budgetary deficit will invariably grow while State revenues decline as more money stays in private hands.

Until the government can substantially raise the amount of revenue it needs from domestic resources to cover its normal outgoings, its only option is to print money.

The present situation can be presented as a potential trade-off between the benefits of an artificially revalued exchange rate and the need to replenish the State's coffers. How and when this will be resolved, time alone will tell.



### Columnist on Corruption, Sympathy for Khieu Samphan

92SE0178A Bangkok BANGKOK POST in English  
8 Feb 92 p 4

[Column by Jacques Bekaert; "Cambodian Diary: 'True Friend of the Poor Peasants'"]

[Excerpts] A week ago I received an article written by a young European professor presently living in Asia. He had just returned from his first visit to Cambodia and wondered if our readers would be interested in his observations.

Although he did not have much experience in Cambodian affairs, the writer was well informed. He spent most of his time talking to Cambodians and was more than just another tourist. The writer wishes to remain anonymous, as he hopes to return to teach in Cambodia in the near future.

The following are extracts from his article: [passage omitted]

*I took a pedicab to Tuol Sleng museum, formerly used by the Khmer Rouge as a detention and torture centre. The pedicab driver told me that his father, brother and one of his uncles had been tortured at Tuol Sleng. I asked him how people felt about the return of the Khmer Rouge as part of the Supreme National Council.*

*"People hate Pol Pot and Ieng Sary," he replied, "but they still feel some sympathy for Khieu Samphan."*

*Alluding to the attack on Khieu Samphan upon his return to Phnom Penh in November last year, he added: "People are really sorry for what happened to him that day."*

*When I said that Khieu Samphan was widely regarded in the West as a front man and an instrument of Pol Pot and Ieng Sary, the man replied that it maybe so but "many Cambodians still think he is a good man."*

*A few days later I decided it was time to see a bit more of the countryside. I applied for a travel pass to Siem Reap, Kompong Som and Kampot. The employee at the Foreign Ministry was friendly enough. He told me to leave my application and come back the following day. I turned up the following day, and he told me exactly the same thing. On the third day he announced that he had all my papers ready and explained that I should give him US\$30 as a "present" and another US\$30 for the visa extension.*

*I asked him whether it was safe to travel to other cities since most Cambodians had advised me against it. "Their fear is totally unfounded," he replied, "just unfounded gossip and malicious rumours." Since I had been told that the main source of insecurity was not the Khmer Rouge but government troops, I greeted his denial with some scepticism.*

*Official corruption was the main topic of conversation among Cambodians. A good job or a place in the university costs at least US\$2,000. Everybody is trying to make*

*some extra money. One day, as I was talking to a student in the street, a soldier posted nearby shouted angrily at us. The student explained that the soldier was threatening to arrest him for talking to a foreigner unless the student gave him some money. There are of course no laws that prevent Cambodians from talking to foreigners.*

*Media manipulation is the rule. The government-controlled television station broadcasts in Khmer every day from 6 to 10 p.m. The day before my departure there was a televised interview with some alleged relatives of people who had been killed the previous weeks by what the TV claimed was a Khmer Rouge attack in Prek Dam, a market town some 35 km north of Phnom Penh. All interviewees blamed the Khmer Rouge, although this atrocity apparently had been committed by government soldiers on the rampage. Next on the evening new broadcast was a declaration by a student who was said to have participated in anti-corruption demonstrations. He went on at length to exonerate the authorities from responsibility in the death of several demonstrators.*

*No wonder that the vast majority of Cambodians hope that the arrival of United Nations forces will stop this slow but steady slide into disinformation, chaos and uncontrolled greed."*

I find the professor's remark on Khieu Samphan interesting.

Actually, I have encountered similar favourable opinions about the nominal leader of the Part of Democratic Kampuchea during my own travel inside Cambodia. A few months ago, while in Kompong Speu, a local Pracheachon Party official told me that Khieu Samphan was still popular among the rural population. "People remember Khieu Samphan as an honest person, when he was a member of the National Assembly and a minister in the Sixties," he said.

Propaganda teams of the Khmer Rouge often bring pictures of Khieu Samphan with them and tell people that they should vote for him, as he is the "only true friend of the poor peasants."

Prince Sihanouk also told me a couple of years ago that he thought Khieu Samphan had been an honest intellectual in the Sixties, and that he had respect for the man.

### Crime, Social, Economic Conditions in Battambang

92SE0166A Bangkok THE NATION in English  
26 Jan 92 p b4

[Excerpts] Bustling city by day, bursts of gunfire at night when robbers have free rein in the darkness. This is Battambang in Cambodia, just three months after the signing of the Paris peace accord. And the redoubtable Battambang merchants are set to ride high again. [passage omitted]

The merchants and other Battambang residents were only too happy when the Paris peace accord was signed

by the four warring factions, prompting them to expand their businesses and launch new ones, both in trade and services, many of them said.

Foreigners, who are considering investments in Cambodia are reportedly taking a second look at Battambang and those who have already established businesses in Phnom Penh are preparing to open offices in the city, the capital of western Cambodia.

Many foreign merchants, including Thai businessmen, consider Battambang rather than Phnom Penh as a better trading centre because of its proximity to Thailand.

The problem is the time taken to drive from Aranyaprathet to Battambang. It takes four hours to complete the journey because of the sad state of repair of both highways.

Presently, it takes about four hours of driving from Aranyaprathet to Battambang. The roads are pitted with craters and covered with dust which turn into mud after rain. In some spots, cars coming from opposite directions have to take turns to use small bridges, for fear that they would collapse.

However, the United Nations are planning to reconstruct the two highways to facilitate the repatriation of Cambodian refugees. And this will give an added boost business opportunities in the city.

Even before their restoration, the highways have become "roads of wealth" for many Cambodians living along the way as well as Battambang merchants.

Many Cambodian merchants were seen riding motorcycles and bicycles to transport goods back and forth Poi Pet and their villages along Highway Nos 5 and 6. [as published]

They usually bring hand-made bamboo or rattan baskets and ceramics and dried fish to hawk at the Thai-Cambodian border market at Poi Pet and purchase consumer goods imported from Thailand back to their villages.

Signs of war that devastated the country for more than a decade could be hardly seen along the two highways. Only a few flooded bunkers full of weeds were seen in some villages. Phnom Penh government's troops guarding some checking points on the highways are rarely armed.

However, security was still tight at the end of the Highway Five which leads to Si Sophon City and at the entrance to Battambang City which is linked to Si Sophon by Highway Six.

Still the number of armed soldiers standing guard at the entrance to the two cities were seen to be fewer than that of customs officials there, another sign that said trade was flourishing.

These same routes were once known as highways of death among Cambodian refugees. Tens of thousands fled the fierce fighting in the civil strife to Thailand. Many of them died along the way because of famine, from the spillover of fighting or malaria.

A graphic sign that Battambang is gearing up for business expansion is the on-going restoration of old buildings which escaped destruction during the terror reign of Khmer Rouge and the civil war.

Many old-European-style buildings have turned rust in colour due to their age, over 100 years. Some of them sport new coats of paint now.

The buildings of three or four hotels in the city were also being redone. City residents said renovations have been going on since the arrival of the United Nations Advance Mission in Cambodia (Unamic) troops and other UN officials.

The price for buildings in the city have skyrocketed since the signing of the peace accord, many Battambang people said. They said the price of some very old two-storey buildings had risen from about Bt900,000 [baht] to Bt1 million, compared with about Bt200,000 to Bt300,000 in the past.

In the morning and afternoon, bicycles, motorcycles and a few cars were seen crowding the city roads, another indication of the well-being of Battambang people after the war officially ended in October.

The residents said the well-to-do middle-class people used motorcycles and those who were able to make ends meet and a little more used bicycles. Only a handful of rich people, especially senior government officials, could afford to have sedan cars.

The city has two major markets and most goods came from Thailand, including detergents, clothes, fruit, soaps and toothpaste.

The shops that visitors, especially from Thailand, could not resist were gold shops. They said the percentage of gold in ornaments in Battambang was much higher than those in Thailand and that for almost the same price.

Another indication of the growing wealth of the city is prostitution.

Foreigners in Battambang can get easy access to prostitutes, who are natives or Vietnamese, at a few nightclubs and hotels in the city.

Hotel employees double up as pimps, according to some hotel workers. And the price was very cheap—only Bt400 for a night's stay with a woman, they said.

At the nightclubs, for just Bt80, guests could get a female drinking companion till closing time.

Nightspots in the city stayed open until midnight. They have to generate their own electricity because the local government only supplies power from 7 to 9 pm.

The city's normal activities come to an end and darkness takes over when the city power plant switches off its generators at 9 pm.

Lights could be seen only at some spots where the hotels and nightclubs are located, most of them on the bank of the Battambang River.

Many city residents said people rarely left their homes after the power supply was stopped because robberies and murders were rampant in the city. They said killings happened nearly every night and the burst of gunfire could be heard all over the city.

Despite the dangers of going out in the dark, night clubs and restaurants were frequented by many patrons almost every night, workers said. They added that their regular customers were Unamic troops.

A policeman, who asked not to be named, said robberies were causing a headache to the government.

He said some low-ranking soldiers and policemen themselves took part in this type of crimes. These groups of robbers were never brought to courts but often executed minutes after being arrested.

He said he himself felt unsafe walking back home at night after completing his duty.

The robbers in the city were violence-prone and often killed their victims, the policeman added.

A city resident of Thai descent said robbers often kept their eyes on foreigners who just arrived at the city.

The resident said the robbers, anticipating new comers would have a lot of money and valuables on them, often followed their would-be victims to where they stayed overnight.

He said the robbers either intercepted the victims on their way to their accommodation or burnt substances that emitted anaesthetic gas to make their victims fall unconscious, before stripping them of their valuables.

The man suggested that visitors should place a chamber pot of urine under their beds before going to sleep. He said the urine could effectively counter the gas.

One reporter had to withstand the stench of urine during his last-night in the city because his roommate at a hotel took heed of the resident's suggestion.

Another trick, which was often used by gangsters in the city, was to slap a visitor's shoulder in a sign of greeting, the Battambang man said.

He said the visitor should immediately return the slap or else he would be in trouble. He said the gangsters would start shouting and accuse the visitors of being impolite if they did not do so. The gangsters' collaborators would then surround the visitors and either visitors would be extorted or have their pockets picked.

Apart from the poor power service, the city has no tap water. It once had a water plant but it now serves only as a pumping station to simply siphon water from the Battambang River. The water is never treated and residents have to carry the water from the station themselves.

Many residents said the local government had yet to improve the water and power services and other kinds public utilities before the city could achieve its goal of becoming a major centre of trade in the country.

### **PRC Military Attache Meets with Osakan**

92SE0160E Vientiane KONGTHAP PASASON LAO  
in Lao 13-19 Dec 91 p 1

[Text] In the afternoon of 10 December at the reception room of the Ministry of Defense Lieutenant General Osakan Thammatheva, a member of the party Central Committee and deputy minister of defense, received Colonel Li Laichen, the military attache of the PRC to the LPDR [Lao People's Democratic Republic]. He arrived in Vientiane on 1 December. The talks between the guest and the host were characterized by the friendship and affection of old comrades. In addition to raising some issues of mutual interest, they reviewed the improving and expanding tradition of friendship, solidarity and mutual assistance between the militaries and peoples of Laos and China which have existed for a long time and are steadily expanding and becoming firmer.

### **Prices, Foreign Goods on PRC Border**

92SE0156E Vientiane PASASON in Lao 3 Jan 92 p 2

[Excerpts] There were three markets in the municipality of Louang Namtha. The khreuangthep market conducted trade worth many hundreds of millions of kip. The two other markets were for food and were open every morning. [passage omitted]

The meat here was from domestic animals and cost about 1,200 kip per kilo. The exceptions were wild pig and deer, and these were priced the same as the domestic animals. This demonstrated that this society was still natural and pure because ordinarily the meat from wild animals was two or three times more expensive than that of domestic animals.

In the stalls of the khreuangthep market there were goods produced in Thailand and China. There were Lao goods also. There were a great many goods from the PRC which were colorful and of good quality. The prices were good. I bought two small flashlights which cost only 300 kip apiece. In Vientiane one would have cost 700 to 800 kip. A pair of pretty baby shoes cost only 1,500 kip. A similar Thai product in the Vientiane morning market would cost about 4,000 to 5,000 kip. My traveling companion bought four or five sets of place mats which cost only 2,500 kip per set. One person whispered: "They're almost free—in Vientiane they would cost 6,000 kip or more."

Laoveng, Laokoyak and Bechin were Chinese drinks. There were many to choose from. Their prices were very low, and they were tasty.

If one went to Ban Boten Village in Sing District on the border of Louang Namtha Province and La District of Yunnan Province in China, one would find many unusual things. Mr. Loichan Sawat, the deputy province head said that: "In 1992 Lao will go to China and Chinese will come to Laos on trips regularly." [passage omitted]

### **PRC Attache Meets Army Vice Chief of Staff**

92SE0160C Vientiane KONGTHAP PASASON LAO  
in Lao 6-12 Dec 91 pp 1, 2

[Text] In the afternoon of 6 December at the reception room of the chief of staff's General Department, Brigadier General Bounthon Chitvilaphon, the vice chief of staff, received Colonel Li Laichen, the military attache of the PRC to the LPDR [Lao People's Democratic Republic] who had come to Vientiane. The talks between the guest and the host were characterized by the friendship and affection of comrades. Both sides reviewed the tradition of solidarity and mutual assistance between the militaries and peoples of [Laos] and China which had existed for a long time and now was being steadily improved and expanded to provide greater benefits.

### **Council of Ministers Order on Trademarks**

92SE0156D Vientiane PASASON in Lao 27 Dec 91 p 2

[Text] The order of the Council of Ministers No. 104/PSL of 12 October 1987 concerned the duties and rights of the Commission for Science and Technology in furthering innovation—this included trademarks.

In order to encourage foreign investment, expand both domestic and foreign trade, reduce the counterfeit goods in the market, and help the consumer pick out the goods of good quality which had been inspected and registered, the Department of Standards, Measures, Quality and Industrial Copyrights, which is affiliated with the Ministry of Science and Technology, on December 19 started to register trademarks. It announced this action so that all parties would be aware.

General information about trademarks:

Symbol: this refers to designs which are made to be recognized, such as on lottery tickets, brands, letters and numbers etc. and which allow us to determine the quality of goods or type of service provided by individuals, companies or any other establishment.

Trademark: this refers to a symbol which is used to indicate a good, to show that this good is the good of the owner of the trademark and to serve as a guarantee of a good in a transaction.

Trademarks which can be registered: trademarks which can be registered or protected need to have a unique appearance which allows people to see that one's goods are different from the goods of others and to differentiate the production sources and the quality of the goods of the same type and kind. A trademark cannot be the same as someone else's trademark which has been registered. A trademark symbol is not to violate our fine customs and traditions and the order of society. There is to be no copying or inclusion of national symbols, flags, names or initials of countries or of organizations established by international treaty or official symbols of any organizations etc. in trademarks except with permission of the state or the organization involved.

Rights associated with registered trademarks:

1. The sole right to use a trademark which has been registered on one's goods. 2. The right to bring a case to either a civil court or a criminal court to protect these rights or demand compensation for damages. 3. The right to indicate that one's trademark is protected and has been registered.

### **Oudomsai Military Counterinsurgency Role**

*92SE0160B Vientiane PASASON in Lao 14 Jan 92 p 3*

[Excerpt] [passage omitted] The direct and peripheral duties of the intelligence company assigned to the joint battalion of Oudomsai Province include two major duties: to investigate and attack the enemy directly. In the past and at present this intelligence company has constantly worked to raise its revolutionary spirit. For more than 20 years as well as during the past 16 years the cadres and combatants of this unit have never ceased to carry out their duties: each day they have conducted patrols to search for operations of expatriot reactionaries and foreign enemies who hoped to sneak in to cause unrest, and they have blocked and eliminated enemy groups quickly. For example they eliminated the nest of expatriot plunderers which remained in the area of Phou Phamon Mountain. This was the last battle associated with Paktha District, which is next to the Lao-Thai border—since 1984 it has been peaceful. In addition they tracked down and eliminated a group of spies which had infiltrated through the back via localities, namely through Na Ve District on the border between Louang Namtha Province and Oudomsai Province and other places. They completed their duties according to the orders issued by the provincial headquarters bravely. [passage omitted]

### **Khammouan Governor on Security Problems, Subversion**

*92SE0156F Vientiane PASASON in Lao 6 Jan 92 p 3*

[Excerpt] [passage omitted] During the celebration of the 16th national day just past Mr. Inpong Khaingavong, the governor of Khammouan Province, said at one point that during the past year the enemy had changed the direction of his operations and had tried new tactics, namely, to avoid clashes with our Armed Forces as much as possible, to use propaganda to split the leadership from the people and the people in the towns from the people in the countryside, and to use our weaknesses in administering the state and society as well as a number of customs to attack us. They set up a group of burglars so that those who suffered losses would not have faith in our administration and there would be political instability. This was their way of struggling with the revolutionary forces. But we were able to disrupt these schemes. We were able to stop them and capture a number of reactionary leaders. In 1991 in addition to standing guard and vigorously patrolling in all areas, Khammouan Province also selected a number of reliable cadres to go down to the grassroots in various districts to

make the grassroots stronger, to block the operations of the enemy and to improve the system of people's democracy at the grassroots level. [passage omitted]

### **Deputy Trade Minister on Policies, Protectionism**

*92SE0160A Vientiane PASASON in Lao 16 Jan 92 p 2*

[Text] Mr. Sompadit Volasan, the deputy minister of trade and tourism, spoke to our group of reporters concerning the start of competition, the encouragement of exports and the problem of protection of domestic production. He said that in past years the regulations of the Ministry of Trade had changed with the new policy changes of our party. This started with the country-wide trade congress. In 1990 we started to put into practice the new changes in trade. We put into effect the policy for a market economy based on legal free trade and regulations adopted by the ministry. The Ministry of Trade carried out its supervision through branches in areas throughout the country and by cooperation with bank branches and various provincial regions. In 1991 we agreed with the various provincial regions to adopt uniform regulations to control exports and imports, to control domestic trade and to involve the branches engaged in regional supervision with the business operations of each of the principle business units engaged in importing and exporting and with the principle business units engaged in domestic commerce. This was intended to arrive at uniform regulations for all business units engaged in exporting and importing depending on their actual size and to specify sizes from small to large. These regulations would be applied to each sector of the economy starting with family businesses run by an individual to mid-sized businesses and large businesses which might be run by a person or a juristic person.

At present although businesses generally have more fixed capital than circulating capital, nevertheless the state will only grant permission for them to do business if they are able to present fixed capital as a guarantee to a bank. The state will not interfere in the activities of a business but will allow competition according to the tactics of the investors. The state will help the investors preserve their funds so that they will have confidence that their investments will be profitable. In addition businesses engaged in exporting and importing must [supervise] their wholesale customers, keep correct accounts, pay taxes according to the regulations and make payments through banks. They must also make assurances when trading in certain goods for which the state has adopted conditions for importation, such as: medicine, petroleum products, food.... They must assure the quality of the goods based on the guarantees of the brand. The state has also encouraged businessmen who are direct representatives of foreign producers to gradually end illegal trade along the border and to be able to supply sufficient goods to meet demand and keep prices steady. The depositing of hard currency has proceeded well because businessmen have gradually gained confidence in the banks. This has meant that the income of the state has increased over last year and has worked to the advantage of both the state and the businessmen. This can be seen in

the new business starts; there are now 225 throughout the country and there are 66 which are completely integrated.

The state will control the business activities of the principle businesses by setting quotas for exports and imports and will help find markets for them by opening trade relations with other countries especially those in this area. The state will work to make things convenient for businessmen. In particular the Ministry of Trade guarantees not to allow red tape to slow things down; it has adopted detailed regulations to help businessmen to keep on schedule and maintain quality.

With regard to the protection of domestic production when there are many surrounding countries, the state has allowed competition from other countries in order to improve the quality of domestic production. When domestic producers are competitive in price and quantity and can meet the demand of society then there will be measures to protect domestic production and encourage production for export, especially crop and livestock production etc. At present the state is working to encourage domestic production for export and to reduce the trade imbalance with other countries; the trade imbalance is over 50 percent. Production for export will be expanded to the production bases beginning with family enterprises. Each family which produces goods is able to meet with foreign businessmen when it exports goods abroad correctly according to the regulations of the state. The state will help work with international business in penetrating markets by taking care of the problem of the quantity and quality of Lao goods. In addition there must be close cooperation between producers for export and the financial system to assure profitability.

My Sompadit Volasan also stressed that originally the state controlled the businesses and then later allowed businessmen to operate outside the control of the state. Now there is cooperation between the state and the principle businesses to achieve unity, encourage production and assure mutual benefits in making the new changes of the party work.

**Army Paper Describes Vientiane District Unrest**  
*92SE0160D Vientiane KONGTHAP PASASON LAO*  
*in Lao 6-12 Dec 91 pp 2, 3*

[Excerpts] [passage omitted] Feuang District was split off from Vang Viang District of Vientiane Province in 1984. [passage omitted]

During the war of the foreign invasion of our country which was so brutal that they captured and killed everyone they suspected, tens of thousands of people became victims of the war, and many people were disabled or lost limbs. [passage omitted]

The district now has one hospital and 79 schools from kindergartens to schools of higher education. [passage omitted] This confirms that the people of Feuang District not only love their native land [passage omitted] but also have a strong desire for peace and tranquility as they make a living according to the policies of the party and state under people's democracy. Unfortunately the reactionaries still have not ceased their disturbances so that the people do not feel secure in their work to build their district. In Feuang District in particular bad groups have tried to use propaganda to slander the administration, to divide the multiethnic people, and to create disturbances by various means in order to destroy the peace and happiness of the people of Feuang District which has been built over 16 years. Faced with these evil schemes of the imperialists and these reactionary influences, the people of Feuang District, under the leadership of the LPRP [Lao People's Revolutionary Party] and with love of their country, mastered the situation and preserved the peace by cooperating with military forces of the central government and the localities as well as peace-keeping forces which conducted patrols both during the day and night to preserve peace and order. As a result the people could make a living in happiness.

Recently the party committee and administrative committee of Feuang District had cadres go down to the grassroots to bring the party's correct and just policies to the people and to allow the multiethnic people to know about and have confidence in the leadership of the party. This work at the grassroots level allowed the people in this area to make some preliminary changes which will provide a basis for building a new Feuang District in the near future.

**POLITICAL****NAP Financial Backer Profiled**

92SE0182A Bangkok DAILY NEWS in Thai  
8 Feb 92 p 3

[Report on Interview with Bunchu Trithong; place and date not given]

[Excerpt] [passage omitted] When most of the financial backers for established parties are veteran, little interest is paid to them. However, when a new man becomes a financial backer for a new party, special interest is paid to him. This is the case with the financial backer for the New Aspiration Party. [NAP]

His name is Bunchu Trithong, a billionaire businessman. He is a major business partner in telecommunications with the Thai Army, and a major holder of a logging concession in Burma.

Bunchu Trithong, born in Mae Hongson, is 46 years old. He differs from other financial backers in that he has filed as a candidate for the Parliamentary seat of Lam-pang Province in the general election on 22 March, 1992.

Bunchu Trithong is presently one of the executive committee members of the New Aspiration Party. He graduated from Sri Nakhonwiroth University with a physics major. After a year teaching in a private school, he joined the United Nations while it was providing the aid in telecommunications development to Thailand. When his office was transferred and attached to the Telephone Organization of Thailand, he became one of its officials.

Working for the Telephone Organization of Thailand, Bunchu Trithong moonlighted as a consultant and programming engineer from 1973 to 1978. He worked on and off with five companies until he created his own company Sirin Technology, Ltd.

Sirin Technology, Ltd. had not been in business long, facing various hardships and problems along the way, when it landed its first major project worth 40 million baht. The project secured 75 percent financial aid from the product country, and the Thai Government contributed 25 per cent. It was Bunchu Trithong's very first joint project with the Army.

This starting point led to a 6,000 million baht project on the country's telecommunications in 1985. The Army's telecommunications project worth 2,000-3,000 million baht followed. Most of these projects involved military communication devices. Bunchu Trithong was able to get acquainted with some high ranking officers in the Army, notably General Chawalit Yongchaiyut, an expert in telecommunication in the Royal Thai Army. When General Chawalit Yongchaiyut formed the New Aspiration Party, Bunchu Trithong was invited to join the party even though he did not particularly enjoy politics.

Bunchu Trithong once related to one magazine, "when General Chawalit invited me into politics, I told him

that being a businessman, I don't like politicians. I have learned first hand how it feels to carry an attache case to visit with politicians. He then said that is a problem. Why should we run away from problems we don't like? We must face them. If we don't like corruption, we won't corrupt when we become politicians. We should put ourselves into the fore to thwart bad guys. I took two weeks to consider before accepting the invitation."

Bunchu Trithong insisted that he had no problem in his decision to enter politics with General Chawalit Yongchaiyut, leader of the New Aspiration Party. The party is neither favored by the Army, nor by a political party discreetly endorsed by the Army.

"I can verify that the military is not against any members of the New Aspiration Party. It is quite unbelievable for people who have been together for over 20 or 30 years to hate each other. The powerful people in the Army have been through a lot together. Their basic values, experiences, as well as their high administrative skills, provide absolutely illogical ground for mutual hatred."

Despite his confidence that the New Aspiration Party has no problem with the military, because of his being a billionaire business man with vast deals on telecommunications projects as well as his logging concessions in Burma, Bunchu himself has been criticized for being one of the financial backers for the New Aspiration Party.

Bunchu Trithong commented on the criticism, "when the General first asked me to help form the party, I assumed he would like my financial help. He set me straight. He didn't want financial support, but a dedicated person who could make sacrifices for politics. I am proud of that."

The conclusion drawn from Bunchu Trithong's own words, from his confidence, his certainty against slanderous remarks, as well as from his complete trust in the New Aspiration Party's leader, General Chawalit Yongchaiyut, is in stark contrast to what really happened.

At one time, it should be recalled that "Siamanusti", an exclusive program by the military, which ran over a decade, once attacked the practice of logging concessions allowed in Burma. Bunchu Trithong had to call a press conference to defuse the attack. The Ministry of Foreign Affairs was in a state of panic because the Army, a government body, used the government mass media against government policy. [passage omitted]

**SAP Leader on Prerequisites for Premier**

92SE0181A Bangkok DAILY NEWS in Thai  
10 Feb 92 p 3

[Interview with Social Action Party [SAP] Leader Khasem Kraisan by DAILY NEWS; place and date not given]

[Excerpts] [DAILY NEWS] You were a high-ranking military officer. What made you decide to run for election? Was there any pressure?

[Khasem] I wasn't under any pressure. I have been associating with politicians since 1969. At that time, I was still a junior officer. I was a captain and then a major. One of my commanders was General Krit Siwala. He felt that I was an efficient person and so he asked me to work for the Saha Prachathai Party. At that time, government officials could also engage in political work. I associated with politicians a lot. I got to know many politicians and have had relations with them ever since. I became "infected" by them and thought that if I could help the country, when the place and time were right, I would run for election. I wanted to become an MP [member of parliament]. If I had remained a government official, I might have become a senator. Today, I am a member of the National Peace-Keeping Council.

[DAILY NEWS] Why did you explain matters to Gen. Suchinda Khraprayun?

[Khasem] I really didn't have to explain anything. He knows me very well. He knows what I have been doing. When we were younger, we were members of the same class. He has always been aware of what I have been doing. When I was a colonel and became involved in political activities, I informed him of what I was doing. He said: "Why don't you wait until you have become a general." I continued on in the military until I became a lieutenant general. I think that this is the right time. Furthermore, I am near retirement age. I have only one year left before I retire. An election is coming up. If I wait to retire until next year and the government that is elected stays in office four years, I will have to wait another three years. Thus, I think that this is the right time. I think that this is the time to jump into politics.

[DAILY NEWS] Why did you join the Social Action Party [SAP]?

[Khasem] Because I know Major Gen. MR [royal title] Khukrit Pramot, the former leader of the SAP. I also know the elder brother of Mr. Bunphan Kaewattana. Mr. Montri Phongphanit, the present party leader, is his nephew. I have been close to that family for several decades. After the coup of 23 February, this party split apart. They saw that I was interested in politics and approached me. At that time, I couldn't leave the military because of my commitments to the RTA CINC [Royal Thai Army Commander in Chief]. But later on, he gave me permission. But he did not send me. I asked to resign my commission. This was a personal matter. Now, I have been appointed secretary general of the SAP.

[DAILY NEWS] Did MR Khukrit ask you to join the SAP?

[Khasem] No, he didn't. Mr. Bunphan and Mr. Montri talked with me about becoming party secretary general. Before talking to me about that, they informed MR

Khukrit. He knew me and agreed. And so I joined the party. He is happy and has said that the party will probably make progress now.

[DAILY NEWS] How does being a politician differ from being a military officer?

[Khasem] There are many differences. A military officer is bound by definite rules and regulations. As an officer, you have to do things in a certain way. Commanders and chiefs of staff have clear duties. But as a politician, you have to deal with many types of people. You have to know many things. You have to have political, social, and economic knowledge. You have to study things. Now that I am becoming involved in national affairs, there are many things that I want to do to help the country. I realize that serving as an MP means being a representative of the people. We must help the people in every way possible. Thus, there is much more to do than when I was in the military.

[DAILY NEWS] In forming a party and campaigning, how important is money?

[Khasem] I think that in every country, every political party must have money. Some may need more than others, but money is definitely a factor.

[DAILY NEWS] Is the military providing support in any way?

[Khasem] You are probably asking about Gen. Suchinda, who used to be my commander. Let me be frank. He is not really interested in politics. That is the truth. He really doesn't want to become involved in politics. I have known him for more than 40 years. I have known him since I was about 10 years old. We have associated with each other ever since. I know what he is like, and he knows what I am like. I am interested in politics, and I know that he isn't. But various things have occurred and forced him to become involved. It's a matter of position and duty. The person who serves as RTA CINC has certain duties. Even though he did not want to become involved in politics, he has had to become involved. The military seized power. That is the same as playing politics. But actually, he really doesn't want to become prime minister or become involved in politics. On this, he is not pretending. I am not protecting him. That is what he is like. If he had wanted to, he could have become involved a long time ago. But that is not the case. He doesn't have time. He has very little time. He has a lot of work to do. As party secretary general, I, too, have a lot of work to do. We don't have time to meet each other or support each other.

[DAILY NEWS] You said that you have known him since you were about 10. Was that when you were attending Amnuaisin School?

[Khasem] Yes. We met at Amnuaisin School. In Grade 7 we were in the same class. He was very small and sat in front. He grew much larger later on and is now very tall.



We have known each other ever since we were children. He constantly made progress. He was a good student. Even though he was not very diligent in his studies, he is diligent in his work. He has been very handsome ever since he was young. Our circle of friends decided to join the military.

[DAILY NEWS] How can the Justice Unity, Thai Nation, and Social Action Parties be allies?

[Khasem] That is what is said. The mass media has constantly talked about that. When the Justice Unity Party was formed, people said that it was a military party. People said that I was involved, too. Perhaps it's because those involved are close to the military. Air Chief Marshal Sombun Rahong is a military officer to whom I have ties. We attended the staff officers school together. People can think what they want. From my point of view, all parties must get along. But after the election, who the activists are will become clearer. We will have to see how many seats the New Aspiration, Thai Nation, Justice Unity, and other large parties win. Those that win a large number of seats will be able to play a leading role in forming a coalition. If the New Aspiration Party wins a large number of seats, it will be able to form a coalition having 180 seats. Similarly, if the Thai Nation and Justice Unity Parties win a large number of seats, they will join together.

[DAILY NEWS] But every time a coalition government is formed, problems arise, because none of the parties in the coalition wants the leader of one of the other parties to become prime minister.

[Khasem] There should be an agreement that if party "A" wins the largest number of seats and if there are three parties in the coalition, the leader of party "A" will be appointed prime minister. But if that person does not want to be prime minister or if he is not suited to serving as prime minister, that is another matter. Perhaps "B" or "C" should be prime minister. If they don't want to be prime minister, the parties will have to decide whom to select. That is the proper way.

[DAILY NEWS] Besides the fact that the prime minister must be a party leader, what other qualities should a prime minister have?

[Khasem] In my view, he must be an intelligent person who is not afraid to make a decision. As a commander, the most important thing is to secure the agreement of your staff officers. Decisions on whether to remain on the defensive or go on the offensive determine whether you will win or lose. If the prime minister is someone who is slow to make decisions and plods along day by day, things will be difficult. And he must have sufficient prestige abroad. We do not live in isolation. Other countries must have confidence in his ability to lead the country. We have to deal and trade with others. In the future, we won't fight with weapons. Instead, we will engage in an economic war. Just because you are the party leader does not mean that you are automatically qualified to be prime minister.

[DAILY NEWS] If a person must have all of those qualifications, it doesn't seem as if any of today's party leaders are qualified.

[Khasem] I did not say that. All of these people have the potential for becoming prime minister. All of the parties must think like that. But it must not be just your own party that feels like that. Other people must have that view. The mass media is the best indicator. It knows who is suited to serving as prime minister. When I was still in the military, my boss said "Khasem, they keep looking at me." Things went on like that for a long time. Today, he doesn't want to talk about the matter of being prime minister. This depends on many factors and many people. Some people think that he is intelligent, but others disagree. We have to see who is best suited to leading the country forward. That is the main issue. [passage omitted]

[DAILY NEWS] After the election, the National Peace-Keeping Council [NPKC] will have to disband. But as far as political theory and the theory of power are concerned, the NPKC can't simply disappear. In your view, how should the NPKC "get off the tiger's back" and transfer power?

[Khasem] Soldiers have never talked about riding a tiger. I haven't seen any tiger. If you have never gotten on a tiger's back, how can you get off? I have never seen a tiger. It's the mass media and a few others who have talked about that. But soldiers don't view things that way. Their concern is the good of the country. After they have completed their mission, that will be the end of it. I don't know if a tiger will bite anyone. I haven't seen any tiger. If a government is established, who will do anything? Do you think that the RTA CINC, the deputy RTA CINC, or the RTAF [Royal Thai Air Force] CINC will do anything? [passage omitted]

[DAILY NEWS] Politics is very confusing today, because even those in the military don't agree with each other.

[Khasem] How many former soldiers have become party leaders? The political parties all have party executive boards. How many soldiers serve on these executive boards? The actions taken by the party must be in accord with the decisions made by the executive board. You can't do something just because this or that general favors that. If that were the case, it would not be a political party. That would not be democratic. We have to act in a democratic manner. It's the party that must decide which path to follow and what to do. Party members are not all former soldiers. There are party members who are from Chulalongkorn, Thammasat, and Kasetsart universities. There are businessmen and many other people whose views differ from those of the military. Everything is up to the party. I am the only soldier in the SAP. I am the party secretary-general. I have to listen to the members of the executive board. I can't make the decision about which direction to go and neither can a general. Why do you think that soldiers

disagree with each other. Ninety percent are not soldiers. Only about 1 percent of our party members are soldiers. And these are retired soldiers who are now ordinary citizens. They don't have any military rank. They can't give orders. That would be a dictatorship. I am running on my own as one small person.

### **SAP Financial Backer, Military Ties Profiled**

*92SE0179A Bangkok LAK THAI in Thai 10-16 Feb 92  
pp 27, 28*

[Text] The first surprise was when the Social Action Party [SAP] announced that Lieutenant General Khasem Kraisan had been made party secretary general in addition to his position as party campaign director. The second surprise came when the SAP announced the appointment of Dr. Bun Wanasin, the director of the Thonburi Hospital and a wealthy businessman and landowner in Thailand, as adviser to the campaign director. Several days after this announcement, Dr. Bun made a public appearance at a hotel and granted an interview to reporters. He also said that he was providing financial support to the SAP.

Dr. Bun was born on 28 May 1938 in the Ban Phran Nok area on the Thonburi side. He completed secondary school at Assumption School. He completed his medical training at the Sirirat Hospital and John Hopkins University. He is also involved in real estate activities. He told LAK THAI that you can make a lot of money in real estate. He established a base abroad before engaging in this in Thailand. After returning to Thailand and becoming an instructor at Sirirat, he founded the Thonburi Hospital. Later on, he expanded into several other spheres, such as textile and hotel activities, mining, land, oil, chemical products, and so on. He has carried on such business activities not only in Laos, Cambodia, Vietnam, and Burma but also in Europe. And he has been investing heavily in China for a long time now.

Dr. Bun said that he has very good relations with Gen. Suchinda Khrapayun, the supreme commander and deputy chairman of the National Peace-Keeping Council. They have known each other ever since Gen. Suchinda was serving as a deputy army attache and Dr. Bun was going to school and working. Moreover, their families have known each other for decades, because they come from the same area, that is, they are natives of the Ban Phran Nok area on the Thonburi side. Besides this senior military officer, he also knows many other leading businessmen in Thailand.

When LAK THAI asked about the personality of Gen. Suchinda Khrapayun, Dr. Bun said that "he is a very intelligent man. He will make a decision himself after the election. There is no need to ask him. He will do whatever is best for the country. He is a very sincere person."

Like Lt. Gen. Khasem Kraisan, Dr. Bun is no stranger to politics. He is an "old face" who has long provided financial support to various political parties. He has never

denied or tried to conceal the political role that he has played. He was a member of the Justice Unity Party for several years, and he is close to several senior people in the Thai Nation Party. He has good relations with people in the Democrat Party and even the New Aspiration Party of Gen. Chawalit Yongchaiyut.

"I have helped them. All of those parties would be glad to have me. All of them asked me to become an adviser. But I have chosen the Social Action Party," said Dr. Bun to LAK THAI.

As for why Dr. Bun left the Justice Unity Party of Maj. Gen. Chamlong Simuang, rejected other large political parties such as the Thai Nation and the Democrat parties, and chose the SAP, it can be seen that he is particularly close to Gen. Suchinda. And a close associate of Gen. Suchinda, Lt. Gen. Khasem, holds two high positions in this party.

At the same time, Dr. Bun is friends not only with Lt. Gen. Khasem but also with Bunphan Khaewattana, who is the uncle of Montri Phongphanit, the party leader, and who will run for election in Zone 2 in Ayuthaya Province and probably take Lt. Gen. Khasem with him. Moreover, Dr. Bun views the SAP as a party that has been damaged very little as compared with other political parties, and there is some flexibility from having 3 million telephones and other projects. The important thing is that Dr. Bun feels that by joining the SAP, he will be able to fulfill his political dream more easily.

The adviser to the campaign manager makes recommendations, gives advice, and provides support of various types in line with the party's national campaign plan. "But I will just support the party. I won't become involved in anything else."

As for giving money to the party, Dr. Bun said that he will give only as much as necessary. He has not set a certain amount. Each person will receive what he needs depending on the situation. But he insisted that just because he is giving money to the party does not mean that he will have influence in the party. "I am not a politician, and I will not become involved in political matters. That would interfere with my business activities. Thus, helping the SAP like this is just a special task. After the election, I will get out of the way. I won't exert any influence."

Concerning democracy in Thailand, Dr. Bun said that the people don't have a good understanding of politics. Or they pretend not to understand. We must build a foundation, starting from the smallest community, that is, the family, and expand from there if the people don't understand democracy. Because real power comes from the people. Those candidates who are trusted by and close to the people will win election to parliament.

As for the position of prime minister, the prime minister must be an elected official. But if the political parties can't find a qualified and honest person with sufficient prestige, a neutral person will have to be chosen.

"Concerning the matter of the prime minister, we have to look at what is possible. We have to look at the person, not the policy. We have to elect a leader who is strong and who is acceptable to the military. But at the same time, he must be a person who understands democracy. He must be someone who is trusted by the people, by the students, and by the press so that he can take control immediately. Otherwise, he won't last very long."

The next prime minister should be either an insider, that is, an MP, or a neutral outsider. Dr. Bun said that the chances are about 70 percent that it will be a neutral person. After the election, things will be much clearer and we will know for sure who it will be.

The reason why the next prime minister will probably be someone neutral is that after the election, there will be a fight for power. The struggle will be even fiercer than during the time of Prime Minister Chatchai, who was well known by the people and the military. The person who becomes prime minister won't want to hold the position for just three or four months. Thus, MPs can't be allowed to do whatever they want.

Dr. Bun was asked if the military had asked him to become openly involved in politics this time. His response was "no." "Becoming involved in politics is damaging. It will actually hurt me, and it will affect my business. But because most of my businesses are abroad, I am not worried. I became involved in politics because I want to see the country secure. I want our country to be stable. I want people to accept my ideas, because a good government is the heart of the country. If we continue to simply struggle along like this, in the next yes years, Singapore, Hong Kong, Indonesia, and Malaysia will move ahead of us.

"I will stop doing business in Thailand if Gen. Suchinda Khrapayun becomes prime minister." Those were the final words of Dr. Bun, the new financial backer of the SAP.

## MILITARY

### Navy Chief of Staff on PRC Ships, Problems

92SE0180A Bangkok KHAO PHISSET in Thai  
3-9 Feb 92 pp 15-17

[Interview with Navy Chief of Staff Admiral Surawut Maharom by Uaiphon Taechutrakun, place and date not given]

[Text] [begin note] One of the Chinese-made weapons about which there is much debate and whose efficiency has been questioned is the frigate. The Thai Navy has purchased several of these ships. Admiral Surawut Maharom, the navy chief of staff, said that these frigates have sufficient capabilities and that the Thai navy did not make a mistake in buying these ships. [end note]

[KHAO PHISSET] There have been reports about various problems concerning the frigates. As a member of the

board that considered this matter and chose this frigate, would you tell us about the capabilities of this frigate?

[Surawut] As for what has happened, actually, the article in the booklet of the Office of the Under Secretary of Defense is a translation of an article from the December 1989 issue of MILITARY TECHNOLOGY, that is, that article first appeared 13 months ago. At that time, outsiders knew very little about this type of frigate. Foreigners wrote things based on their own ideas, and much of what they wrote was wrong. What they said about this frigate's capabilities was based on their own ideas. A military officer translated this article, and this came to the public's attention. But he did not cite his source, and so people mistakenly thought that these were the views of the Office of the Under Secretary of Defense. I don't blame the mass media, because there was a misunderstanding. When this journal appeared, people naturally got that idea. But the fact is, I obtained a copy of the original article and translated it. I discovered that this article had been translated incorrectly. I didn't know what to do about that, because that concerned the Office of the Under Secretary of Defense. I am not blaming the Office of the Under Secretary of Defense, but they are the ones who are responsible for releasing information to the public and for the effect that this has on the military.

[KHAO PHISSET] What are the actual capabilities of the these frigates?

[Surawut] After the Chao Phraya was commissioned, which was the first frigate to arrive, people wondered why the Navy did not announce this. Actually, we did not want to turn this into a major affair. We wanted to perform a ceremony once all the frigates had arrived. But once news of this got out, I took people aboard the ship. We took people for a cruise and fired the weapons in demonstration. We used this ship to attack pirate boats. People saw the results and understood. Everything was in accord with the needs of the Navy. Before we purchased this ship, we discussed every angle, including repairs and operations. We estimated the costs. After that, we requested budget funds and stated why this ship would be useful. We had them install a German engine instead of a Chinese engine. We designed everything ourselves. The weapons system installed aboard this ship is similar to that of European systems. We felt that by doing this, it would be possible to use this ship for a long time, that is, about half of the life of existing ships. In about 15 years, we will have to modernize the systems. When that time comes and we have more money, we will remove these weapons and install weapons having greater capabilities. They were very modern at that time. But this does not mean that the weapons that have been installed are of inferior quality. China has developed its weapons systems. We considered this very carefully.

[KHAO PHISSET] Does this mean that we purchased just the ship from China and installed weapons systems purchased elsewhere?

[Surawut] The first four ships were installed with Chinese weapons. But they have been upgraded. An American research and development unit came and inspected things and said that they couldn't believe it. Because this was an excellent ship, and it cost very little. The Navy is very satisfied with these ships. The second two ships are bigger and faster. Today, our warships must be very fast. These six frigates are the fastest warships that we have ever had. They are faster than the warships of neighboring countries. Speed gives you an advantage. We designed these two ships ourselves. They are bigger than our old ships. We gave the designs to China. China conducted tests and said that they could build these ships. They provided us with a model, and we asked the United States to check it for us. I flew there myself, and they made adjustments. In the case of these two ships, China built the hulls. The engines are American and German diesel and gas turbine engines, which makes these very fast ships. The hull and engines meet European standards. After taking possession of the first group of ships, we decided to install American weapons on the second group. This includes the guns and guided missiles. The weapons systems are all American. We will not have China install these but will install these ourselves. We have purchased American weapons. These will be delivered at the same time as the ships and will be installed in Thailand. We have sent people to obtain their M.A. and Ph.D. degrees so that we can integrate these weapons systems. The United States has accepted this. This concept has made it possible for us to obtain ships at a very low cost. If these ships had been built in Germany, they would have cost about 15 billion baht. But by installing things ourselves, each ship costs only about 5 billion baht. That is much cheaper.

[KHAO PHISET] Then with respect to the ships built by China, unlike what has been said, there really aren't any problems, is that correct?

[Surawut] There aren't any problems. These ships have been tested by the United States. The person who translated that article didn't know. He is a naval officer, but he didn't have any knowledge about this matter. He translated the English phrase "damage control system" as "opposing losses." But that is incorrect. We designed our own computer-controlled damage control system. Even if a ship is damaged, the computer will know and inform us. And it will tell us how to fix the problem. We are very satisfied with these ships.

[KHAO PHISET] Why have people criticized these frigates so much?

[Surawut] I don't want to say that this is because people have suffered losses. But according to the navy's new policy, we are trying to avoid doing business through middlemen. We don't want to deal with agents. We want to deal with the companies directly. We purchased these frigates on a government-to-government basis.

[KHAO PHISET] There have been reports that the agent who arranged the sale of these frigates is a woman in arms trading circles.

[Surawut] I don't know if that is true or not. But as a member of that committee, which was chaired by the Navy chief of staff at that time, I can assure you that since we first began the process of purchasing these ships four years ago, I have never met that woman, and that woman has never set foot in Navy headquarters. I can assure you that the Navy has never used an agent. She may have played a role at some stage. But we were not responsible. We did not contact her.

[KHAO PHISET] Did she try to make contact?

[Surawut] She knew. Because we had announced that we did not want an agent. We told the Chinese who had contacted us that if they used an agent, we would not deal with them, because that would just increase our costs. When the 30-man Chinese team came to negotiate with us the first time, they came by taxi and I had to feed them lunch. We did not use an agent. I don't know what they thought.

[KHAO PHISET] Will what has happened have any effect on the two ships yet to be delivered?

[Surawut] No. No damage has been done. I can assure you that those ships have great capabilities. They will be able to carry on all types of combat operations. The Navy has great confidence in their capabilities.

[KHAO PHISET] Some people say that we purchased these Chinese frigates because we want China as a friend.

[Surawut] That may have been what some people thought at first. But with respect to the Navy, that is not true. We wanted ships of good quality at a low cost. We weren't concerned about friendship prices. We wanted a good-quality ship at a low price.

[KHAO PHISET] Besides China, did any other companies submit proposals?

[Surawut] Many did. Mego submitted a proposal, but its price was higher. And whatever we wanted, we got. We were able to choose what we wanted. Almost everything was exactly what we wanted. I can assure you that these are highly efficient warships. Even though they are about 10 percent less efficient than European ships, they are very close.

[KHAO PHISET] There have been reports that the air force opposes the Navy's purchase of A-5 M aircraft. Is that true?

[Surawut] We have never had an A-5 M program. In using aircraft, we have to reach an agreement. The Air Force must do its duty. The Navy uses aircraft just like it uses weapons. It's like a missile that is fired. They must be used in conjunction with the mission of the ship. It's the duty of the Air Force to provide air defense. We will

not purchase such aircraft for the Navy. We will purchase only those types of aircraft suitable for naval use. There isn't any dispute between the Air Force and the Navy. The Air Force has never objected to a program of ours. We understand each other. We know what the duty of each other is. Each service is developing in its own way.

[KHAO PHISET] Has the Navy spent so much money buying these frigates that it can't purchase other types of weapons?

[Surawut] No. We have spent a large sum of money, but we can still develop other systems, too. We are being frugal and tightening our belts. We will be frugal in carrying on operations and use that money to develop the Navy. We must take steps to improve the lives of the men and provide them with the four basic necessities of life. We have to take care of our men. Part of the budget must be earmarked for this. We can't spend everything on weapons. That would destroy the morale of our men. There would be a brain drain, and the Navy would be in great trouble.

[KHAO PHISET] In the past, the stories about these frigates have tended to be negative. Why is that?

[Surawut] I don't know. Ever since the first ship arrived, we have briefed people and tried to make people understand. We have explained things to former officers and invited them to come view the ships. We have explained things to them, because they are still very concerned about the Navy. We have to keep them informed. Besides this, we feel that some elements of the mass media still misunderstand. We have tried to make the mass media understand so that the people will receive the correct information. It's not a matter of explaining things just once. We have taken them to see things for themselves. I have given orders to show them everything. I have even allowed them to see the computer room, which is the heart of the ship.

[KHAO PHISET] During the period that you purchased these ships, there were rumors that you did this because of the pressure exerted by the Army and Air Force.

[Surawut] That's not true. How would the Army or Air Force know anything about this? How would they know what the needs of the Navy are? We made this decision ourselves. We have to use our resources in the best way possible. The Army did not suggest anything to us. They did not interfere in any way. We are independent of each other. Even Supreme Command allows us to act independently. All that they require is that we act in accord with the military development goals. They have never said anything about our decisions.

[KHAO PHISET] Does the Navy plan to buy any more weapons from China?

[Surawut] It depends on the program. We don't have to buy everything from China. We have to see which weapons are suitable, the feasibility of this, and how we

will benefit. If the price is low but the weapons are of poor quality, we won't buy them. We won't buy weapons that use inferior technology. In buying weapons today, we have to consider the technology. In the past, when we purchased weapons, we never received the technology. Today, in purchasing weapons from China, we have an agreement stating that they must pass on the technology to us. When these frigates were under construction, we sent a team of junior officers to go observe the construction. The first team, which was composed of 17 men, went and observed things for two years. After they returned, they said that they were prepared to build ships. We are planning to send another team to study things at China's modern research center so that they can manage the systems design work. These two teams will work together. We will be able to build our own ships. If we can build our own ships, ship repair will no longer be a problem. We have to consider what is best for the navy. That is what we are trying to do. We have never received much technology from building ships in Europe.

## ECONOMIC

### Firm Plans Investment, Wary of AFTA Impact

92SE0184A Bangkok NAEON (LOK THURAKIT SUPPLEMENT) in Thai 10 Feb 92 p 7

[Excerpt] [passage omitted] Mr. Prachai Liophairat, the chairman of the board of the Thai Petrochemical Industry (TPI), told LOK THURAKIT that the TPI is preparing to deal with the effects stemming from the establishment of an ASEAN free trade area by expanding investment and buying the Recksin Company, which produces plastic capsules. This company is based in Texas in the United States. The TPI will spend \$225 million, or approximately 5 billion baht, to purchase this company.

The agreement on the establishment of the ASEAN free area calls for lowering import duties on 15 items to 0-5 percent within 15 years. This will have a great effect on two important goods of Thailand, palm oil and petrochemicals. Among our petrochemical products, plastic capsules are an important product. And today, production costs here are higher than in Singapore. Because of this, Thailand has set the import tariff at 40 percent in order to protect our domestic industry. If this import tariff is lowered and such goods are allowed to be imported freely, Thailand's petrochemical industry won't be able to compete with imports from neighboring countries.

Mr. Prachai said that even though he agrees in principle with AFTA [ASEAN Free Trade Area], because Thailand's trade interests are still different from those of other countries in ASEAN, the government should not rush to lower the tariff barriers on petrochemicals. It should first improve the trade factors so that we are at the same level as the other ASEAN countries.

"Because of this policy, Thai investors are uneasy, and they have turned to doing business abroad. This will destroy our domestic industrial system. The government has not looked to see what effects this will have in the future. For example, foreign goods will flood our markets. And the Thai government isn't ready to support the economic sectors in the future when problems arise."

The Recksin Company, which the TPI plans to purchase, is now going through bankruptcy proceedings. Once the court has reached a decision, interested parties will be allowed to bid on activities. This will be cheaper than buying directly from the company.

"If we can purchase activities from the U.S. court, I will send people to manage things. We will produce plastic capsules there and export them to Thailand. That will be cheaper than investing in Thailand, because that company presently has the necessary raw materials, which cost about half of what they do in Thailand. By producing goods there, our goods will be able to compete against those of other countries in ASEAN once tariffs have been lowered in accord with the AFTA agreement."

#### **Singapore Seen as Advantaged by AFTA**

92SE0184C Bangkok MATICHON in Thai  
7 Feb 92 p 4

[Excerpt] [passage omitted] Mr. Amaret Sila-on, the minister of commerce, disclosed the results of his meeting with the minister of industry and representatives of the producers of 15 types of petrochemical items. He said that he talked with them about Thailand becoming a member of the ASEAN Free Trade Area [AFTA]. On 1 January 1993, the import duty on plastics will be reduced to 30 percent. Most people in the private sector agree with this in principle. However, some people have said that lowering these tariffs will put Thailand at a great disadvantage with respect to Singapore.

"I have asked people in the private sector study this in detail to see which goods will be affected and which ones won't be affected. They have been asked to identify the problems and obstacles so that the state can provide help," said Mr. Amaret.

Mr. Aphiphon Phasawat, the managing director of the Thai Polyethylene Company Ltd, said that people in the private sector are still confused about AFTA. In the petrochemical industry, taxes on some raw materials are still very high. An example is Union Carbide. This is to increase our ability to compete.

#### **Amaret on Intellectual Property Department**

92SE0184B Bangkok SIAM RAT in Thai 1 Feb 92 p 7

[Excerpt] [passage omitted] Mr. Amaret Sila-on, the minister of commerce, said that at a meeting held on 31 January 1992, the National Legislative Assembly approved the draft act on revising ministry, bureau, and department regulations. An Intellectual Property Department will be established. This newly-established

department will take over the responsibilities of the Department of Commercial Registration, Ministry of Commerce, with respect to trademarks and patents and take over responsibility for copyrights from the Fine Arts Department, Ministry of Education. Once the Intellectual Property Department has been established, this department will be responsible for laws on patents, trademarks, and copyrights. This department will be composed of six divisions: the Office of the Secretary, the Services and Registration Division, Audit Division No. 1, Audit Division No. 2, the Registration and Documents Division, and the Technical Division. The Ministry of Commerce has 60 days in which to establish the Intellectual Property Department and assign people to the various positions.

It is thought that the establishment of this new department will bring economic, social, and political benefits. Economically, this will improve the atmosphere for foreign investment. Foreign investors will have greater confidence when investing here. As a result, new industrial products will come into being. This will also bring about the development of high technology and create an atmosphere of fair and free competition on the trade front. Also, this will promote better international trade relations. On the social front, consumers will be able to choose good-quality goods. Researchers, inventors, and industrialists will have a chance to learn about new technology. Besides this, the development of organizational forms will be carried on more freely, particularly with respect to intellectual property. Politically, this will help improve Thailand's image. We will be viewed as a country that protects intellectual property. Experts in this field will be able to use this when negotiating in order to build better trade relations, said Mr. Amaret in conclusion.

#### **Manager Cited on Need for Software Protection**

92SE0177B Bangkok BANGKOK POST (POST  
DATABASE) in English 29 Jan 92 p 1

[Text] The Managing Director of Thailand's first computer software factory, the International Software Factory, Dr. Suchai Thanawasathien says a law protecting software is the key to the growth of the software industry here.

He added that the lack of protection for computer software limited both the development and investment in software here.

Speaking at the recent seminar held by the Association of Thai Computer Industry, Dr. Suchai pointed out that the technology transfer into the country had been stunted by the lack of an explicit law protecting software.

He added that there had hardly been any investment in software development here because investors had no confidence in the market. A copyright law clearly protecting software was necessary to encourage local firms to develop software and for the local software industry to pick up, he said.

It would also encourage Government offices and state enterprises to develop software for internal use that might even become products that could be exported to neighbouring countries, he added.

This would further lead to an increased level of skill among local programmers, he noted, adding that a law could not make the situation any worse than it is.

He said now programmers had to use hard or soft locks to protect their programs from piracy and hackers just tried to crack these locks which was a vicious unproductive cycle.

### Specialists Call for Software Protection Law

92SE0177A Bangkok BANGKOK POST (POST DATABASE) in English 29 Jan 92 pp 1, 5

[Text] Lawyers, academics and computer software experts agreed last week that software needs to be clearly protected under a separate law instead of under the existing copyright act that was written mainly to protect literary and artistic work and is not appropriate for technical products.

Speaking at a seminar held jointly by the Association of Thai Computer Industry and *IT Management* on computer software protection, lawyers urged that the advantages and disadvantages of a new software copyright law should be studied carefully and possible loopholes should be discussed.

Dr. Surakiat Sathienthai, deputy dean of the Faculty of Law at Chulalongkorn University, agreed that software needed to be protected, but said it should not be placed under the existing copyright law.

Dr. Surakiat pointed out a number of reasons for not including software in the current copyright law.

He said the protection period in this law was too long (50 years after the creator dies), because the lifecycle of software was only a few years. He noted that under this law protection was legislated confidentially, which meant the creator did not have to disclose the source code and reverse engineering was not possible, therefore there would be no technology transfer.

Copyright protection, he added, was automatic. This meant that the innovation did not have to be registered. This was different from the patent act where the innovator had to disclose the production technique.

Also, the copyright act would not allow adaptations and derivatives of existing programs to be created.

Dr. Surakiat said that most Thai software experts were software developers, not creators, therefore if computer software was placed under the current copyright act, Thai programmers would be hurt.

He added that Thailand was in a transition period of changing its work force from an unskilled labour force to

a more skilled labour force, and if software became very expensive after gaining protection it could retard this transition.

Dr. Surakiat noted that Thailand also still lacked proper definitions of many computer software terms like flow-charts, object oriented programs, "look and feel," and clones.

He added that the protection of software was necessary, but many issues had to be carefully studied first. He said, "We must look to see what we can produce, and what we have the potential to produce. And then we must see how putting these products into our existing laws would affect us. If it turns out to be disadvantageous to put these products into existing laws we must write new ones."

Dr. Lersan Thanasukarn, a science lecturer at Chulalongkorn University and a member of the committee revising the intellectual property law for the Commerce Ministry, agreed with Dr. Surakiat's comments and added, "We must be careful not to get trapped by the US into believing software copyright infringement was a moral obligation, because it is really a commercial issue."

Dr. Sutham Yunaitham of the Law Faculty of Chulalongkorn University said that a new law protecting computer software was essential for Thailand in dealing with other countries.

He added that the impact of such a law on the interests of the various parties concerned should be carefully studied. He said that the computer software protection was not about ethics—it was a commercial issue.

Dr. Sutham suggested that Thailand should probably take the same approach as Japan and have a separate law protecting telecommunications, information and databases from that of computer software which was easier to manage because telecommunications technology changed much more rapidly.

He noted that although the country still lacked a definite law protecting software, software developers should create legal evidence of their products, including dates, years and names, because this evidence would be needed should any cases be taken to court.

Teerapol Suwanpratheep of Baker and McKenzie Law Office said that computer software should not be placed under the existing copyright act because software technology was changing rapidly.

The current copyright act had too many rules that were too flexible to enforce strong penalties on illegal software vendors. He cited an example of software copied for the purpose of research and education, or for personal use being overlooked because it was "not for profit".

He added that in trying to protect the software of its member companies the Business Software Alliance (BSA) could in fact make matters worse if it took a case



to court and it resulted in a ruling that the existing copyright act here did not include computer software.

Pravith Mangklatanakul also from the Baker and McKenzie Law Office said that there many issues with trying to protect computer software under the current copyright act that were debatable, and it needed to be resolved with a court case.

He noted as an example that in Thailand a company copying software for internal use could get away with it by saying the company was a person by law, which could not be done in the US where copying software for personal use was also against the law.

Pravith also agreed that Thailand needed a separate law protecting computer software.

### **Report on Music Tape Industry, Copyright problems**

*92SE0138 Bangkok NAE0 NA in Thai 6 Feb 92 pp 7, 8*

[Excerpts] Music stalls along the streets with booming Thai, country, and western songs, with singers from every recording company, are founded wherever there are pedestrians. They can be around shopping centers, or bus-stops, or sometimes a few booths are set up to sell music tapes. Music is loud to attract customers to buy music tapes under every recording company, be it the Grammy Company, the Kita Company, the Azona Company, the Onpa Company, or RES Sound, just to cater to everybody's tastes. Most of the vendors are obviously teenagers. [passage omitted]

### **Location for Setting up Stalls**

This can be either difficult or easy. Most importantly, one needs capital to invest in sound equipments, like huge booming speakers to play music to attract customers. Then one needs to pay a deposit to companies or wholesalers to buy music tapes, and to pay for the rent of a space. If it is a push-cart stall, the rent is minimal. Sometimes one does not even have to pay for the spot, but may be asked to pay in some other way. If it is a shop, the location will dictate the rent. At the Siam Square Shopping Center, on the same side as the Lido Theater, the Scala Theater, and the Siam Theater, a music tape shopkeeper said that the rent was not so high in the past. However, it is about 20,000 baht a month nowadays. It is still worth the rent because he has been in business for some time and had regular customers. Even discounting non-regular customers, he can make a sale of 200-300 music tapes daily, enough to stay in business.

Another music tape merchant at Tha Phrachan area related that the rent for a stall was just 20 baht a day 10 years ago. Nowadays, it has increased a few times to 80 baht a day. Still he keeps on paying the rent and even expands to operate four stalls because the area is busy with a lot of pedestrians who like to stop to browse or to buy some music tapes before heading home. A previous owner sometimes leases the stall again which once leased

for 500,000 baht, at a higher price. The lease, which excludes the lot rental at 7,000 baht a month, must be renewed every five years. However, the sale is more than enough to cover the lease plus the rent, thus leaving a merchant with a comfortable monthly profit.

The competition among music tape stall owners is fierce. Besides taking into account a suitable location where there are a great number of pedestrians, more varieties of music tapes will also attract more customers. Newly-released tapes are especially in such a high demand that some customers put them on reserve. Therefore, each music tape stall needs to buy tapes from every recording company to serve its customers, or else it risks losing them to competitors who can offer more varieties of tapes.

### **How To Choose Music Tapes To Sell**

There are several ways to choose music tapes from different recording companies. Most importantly, one has to find out the location of wholesalers who buy music tapes from production companies. Those located around Khlong Thom or Khlong Ong-ang areas are well-known. They will sell tapes to retailers at a wholesale price. For example, a priced tag of 85 baht is sold for about 57-60 baht. A retailer can then sell it at exactly 85 baht, or he can give a little discount to his customers. On this, each stall varies. Doing business with wholesalers is good in that retailers can order music tapes from every music company. They might even get the tapes delivered. However, music tape stalls will have to do their own pick up. Each music tape stall will get a one week credit, a week after tapes are picked up. Then, they make a payment.

Some recording companies have sent salespersons to deal directly with music tape stores or stalls to get them to buy tapes from the companies, instead of from wholesalers. Those companies are the Grammy Company, which produces songs and signs singers, the MGM, its sister company, which takes care of the packaging, and the MGM Marketing Company, which releases the product. The MGM Marketing Company will send its salespersons to stores. The stores that agree to buy tapes from the company will get a one month credit as well as a discount of one to two baht per tape off a priced tag, equal to what wholesalers must pay. The company cannot give a drastic discount because they still need wholesalers to help sell their tapes. Sending out salespersons to make direct sales is a marketing strategy to increase the number of stores selling the company's product. The company does not want to depend entirely on wholesale, for fear that there might be problems later.

Concerning a priced tag recommended by each recording company, one music tape merchant said that the Grammy Company has set a higher price than other companies. That might be because they spend more on production, that is, in producing and promoting singers as well as in producing higher quality music tapes than



other companies. Each company has different business strategies. [passage omitted]

#### **Copyright Problems**

One of the problems facing music tape merchants is the question of the copyright of foreign music tapes. It happens that most of the foreign music tapes sold in Thailand are pirated. Thailand has been in conflict with foreign countries concerning the problems of the music tape copyright. In the past, the U.S. and the European Community have pressed charges against Thailand on music tape and video copyright violations. The minister of commerce had to appear and explain the existing problems and how to solve them. The impound of pirated music tapes, that are accused of copyright violations by foreign companies, causes some worry among music tape merchants. They have no idea when they will be arrested on charge of

violating music copyright. However, the problems appear to develop positively when the U.S. withdrew the copyright charge against Thailand last year. This leaves only the European Community under negotiation.

Thai laws permit foreign music companies to inform the police in the case of copyright violations. Copyright violators must be brought to trial and they must pay for damages. They will also be tried in both the civil and criminal courts, then be punished according to Thai laws. In the past, Thailand tried to show foreign countries that we never violated music copyrights. Furthermore, the statement from Mr. Krirkkrai Chiraphat, deputy minister of Commerce, has shown that every country, not only Thailand, has violated music copyright. It does not seem fair to make it hard on only Thailand in this laws situation. [passage omitted]

## POLITICAL

### Major Changes in Draft Constitution Discussed

922E0104A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 21-27 Jan 92 pp 2, 3

[Article by Tran Hong Minh, Hoang Kim Ngan, and Hoang Bui Kim Ngan: "Introducing Draft Amendments to 1980 Constitution"]

[Text] [Editor's note] To provide our readers with additional information allowing them to understand and study the draft amendments to the 1980 Constitution and thus to realistically serve their desire to contribute ideas to the draft, we now introduce to you some major points (mainly the amended articles) in the draft. [end note]

#### About the Preamble

With a shortened content (about two-thirds shorter than the Preamble of the 1980 Constitution), the preamble of the draft amendments to the 1980 Constitution summarizes the millenniums of history of the Vietnamese people's national construction and defense, and generalizes the course of formation and development of the people's state ever since the CPV [Communist Party of Vietnam] was born.

Since the day President Ho Chi Minh read the Declaration of Independence that gave birth to the Democratic Republic of Vietnam, our state has lived under the 1946, 1959, and 1980 constitutions. Each one of them has fulfilled the role of being the state's efficient tool used in leading our society through different revolutionary stages.

The preamble clearly reflects the goal of amending the constitution this time, i.e., institutionalizing the total renovation recommended by the Sixth CPV Congress and promoting implementation of the platform for national development in the period of transition to socialism. Being the fundamental law of the state, the constitution stipulates the political, economic, cultural, and social systems; the basic rights and duties of citizens; and the structure and principles for state organs, both central and local, to operate, and institutionalizes the relationships among the people being masters, the state managing, and the party leading.

### Chapter I: THE SRV—THE POLITICAL SYSTEM

#### 1. About the nature of the state

- As the subhead clearly indicates, the draft amendments to the 1980 Constitution affirm the continuation of socialist construction in our country.

The Vietnamese socialist system ceaselessly promotes the people's democratic rights, builds a prosperous and strong country, and materializes social fairness, with each and every citizen leading a life of plenty, freedom,

and happiness and enjoying favorable conditions created by the state and society for total development.

- Our state is one of the people, by the people, and for the people. The draft clearly states that in the land of Vietnam, all power belongs to the people, "*on the basis of an alliance between the worker class and the farmer class and the intellectual stratum*" (this is an amended point compared to the current constitution).

- The people use their power through the National Assembly and people's councils at all levels. These are the organs that are directly elected by the people to represent their will, aspirations, and interests, and are responsible to the people. The current constitution stipulates that National Assembly deputies and people's council delegates may be impeached if they no longer deserve the people's confidence. The draft now adds that the National Assembly and people's councils may impeach them. This approach still guarantees democracy and accuracy and at the same time saves public money.

- The draft amendments to the Constitution point out that the state manages society by law. All citizens, state organs, economic organizations, and social organizations must seriously abide by the law. All acts that violate the legal rights and interests of the state, collectives, and citizens must be dealt with in accordance with the law.

- The state of Vietnam is the unified state of all nationalities living in the land of Vietnam. It implements a policy of equality, solidarity, and mutual help among nationalities, and strictly forbids all acts of discrimination and division among them. The constitution recognizes the right of all nationalities to use their spoken and written language, to preserve their national characteristics, and to develop their fine customs, habits, traditions, and culture.

#### 2. The constitution recognizes the leadership role of the CPV toward the state and society

The CPV, which advocates Marxism-Leninism and Ho Chi Minh's thoughts, is the vanguard unit of the Vietnamese worker class and loyally represents the interests of the worker class, the working people, and the nation as a whole.

The constitution stipulates that the CPV operates within the framework of the constitution and law. Compared to the current constitution, article 4 of the draft is shorter, as some words and phrases have been replaced by new ones, but remains strict and complete.

#### 3. About the role of the Vietnam Fatherland Front (VFF)

The draft amendments to the Constitution is clearer and more complete (compared to the 1980 Constitution) in regard to the nature of the VFF role, namely, *being the state's political base and strong support*. The VFF, which is composed of the CPV, the Vietnam Confederation of Workers, the Vietnam Association of Peasants, the Ho Chi Minh Communist Youth Union, the Vietnam

Women's Union, and other members, is the nation's broad organization; unites all forces and social strata; promotes the tradition of all-people solidarity; strengthens political and spiritual unanimity among the people; mobilizes the people for participation in building and consolidating the people's administration, and seriously abiding by the Constitution and the law; and supervises the activities of the state's organs, cadres, and civil servants.

#### 4. About the SRV's foreign policy

In the present world situation, to win agreement and broad support and to expand foreign relations, the draft amendments to the 1980 Constitution show quite a lot of changes.

About the foreign policy of our state, the draft states: (The SRV) "actively supports and contributes to the common struggle of the world's people for peace, national independence, democracy, and social progress." It clearly reflects the renovation in regard to our state's line on and conduct of foreign affairs.

### Chapter II: THE ECONOMIC SYSTEM

Chapter II of the current constitution has 22 articles. Some of these articles are no longer appropriate for Vietnam's present conditions and socioeconomic situation, and include the following:

Article 16 affirms that "The central task throughout the period of transition to socialism is (to pursue) socialist industrialization," with the direction for economic development being "to give priority to rational development of heavy industry on the basis of development of agriculture and light industry."

In article 18, (the state) "carries out the revolution in production relationships; guides, utilizes, and reforms the nonsocialist economic components; establishes and consolidates the socialist ownership system in regard to the means of production, for the purpose of achieving a national economy primarily having two components"—the state-operated economy and the collectives-based economy—(with) "priority (being) granted to the state-operated economy."

In article 20, "Collectives and individuals who are using land are allowed to continue this use of land" and can only "use the fruits of their labor in accordance with the law."

Article 21 affirms that "The state exercises a monopoly of foreign trade and all other economic relations with foreign countries."

In article 23, "Cooperatives operate in accordance with both national and local guidelines, tasks, and plans."

In article 24, "The law determines the limits within which to work on a private basis is allowed."

Article 25 stipulates that "The economic bases of landlords and compradore bourgeois are nationalized without compensation."

Article 26 affirms that "The state carries out socialist reforms in regard to all capitalist economic components."

In article 27, the right of citizens to own the means of production is limited only to "the tools of production used in the cases of private work being allowed."

In article 31, "The state and collective economic organizations apply the principle of working in accordance with one's capabilities and being remunerated in accordance with one's labor."

In article 34, "The state organizes social production along the line of large-scale socialist production."

Or in a negative manner as in article 28, "Whenever the state decides it must act for the common interests, it can purchase and requisition, with compensation, properties of individuals or collectives."

To adjust the above-mentioned inappropriatenesses and at the same time to institutionalize our party's and state's line on economic renovation, chapter II on the economic system of the draft amendments to the 1980 Constitution is almost totally rewritten. This chapter has 15 articles, seven less than the number of articles in the current constitution, and eliminates articles 25 and 26 of the current constitution. Of the 15 articles in this chapter, there are seven new ones and eight old ones that have been amended.

This chapter contains many noteworthy points and deals with new issues as follows:

It affirms that Vietnam's economy is a multicomponent commodity economy developing in accordance with the market mechanism, having state management, and following socialist orientation. The multicomponent economic structure relies on ownership systems, including private ownership. At the same time, it affirms the long-term existence of this multicomponent commodity economy. (article 15)

It affirms that the state "liberates all production capabilities (and) develops all potentials of economic components" which include the "individual component (and) the private capitalist component" for the purpose of "satisfying more and more effectively the people's material and spiritual needs." (article 16)

Article 18 stipulates additional rights for organizations and individuals in regard to using land, such as "the right to inherit the right to use land and to transfer the right to use the allotted land in accordance with the law."

Article 19: "The state-operated economic component is consolidated and developed in the key sectors and fields so as to be capable of playing its leading role in the national economy."

"State-operated economic installations have the right to be autonomous in their production and business activities and are responsible for the results of their activities."

The state encourages development of the family-based economic component and the individual economic component. The latter is allowed to operate in all sectors and occupations in accordance with the law. (article 20)

The state allows the individual and private capitalist economic components to operate in the national economy and to develop in the sectors that benefit the nation and people in accordance with the law, without any restrictions in regard to the scope and areas of their operations. (article 21)

Business organizations belonging to all economic components may do joint business with foreigners and foreign economic organizations in accordance with the law. Their legal properties are protected by the state. All business organizations are equal before the law. (article 22)

The right of the state to purchase and to requisition properties of individuals or organizations is defined more specifically and more accurately, namely, only in the cases that are considered extremely necessary due to security and national defense reasons and for national interests. Such purchases and requisitions must accompany compensation based on actual market prices; and the form of requisition as stipulated in article 28 of the current constitution is abolished. (article 23)

In foreign economic relations, "The state broadens and unifies the management of foreign economic activities, and makes foreign economic relations more diversified and multipartite." (article 24)

The state encourages foreign organizations and individuals to invest in Vietnam and asserts and guarantees their right to legally own capital, properties, and other interests. Enterprises having foreign-invested capital shall not be nationalized. (article 25)

In managing the national economy, the state does its job by means of laws, plans, policies, and other regulatory tools. The interests of the state, organizations, and individuals are harmoniously combined. (article 26)

### **Chapter III: CULTURE, EDUCATION, SCIENCE, INDUSTRY AND HANDICRAFTS**

In the draft amendments to the 1980 Constitution, chapter III retains the same number of articles, 13, as that in the current constitution. In the title of the chapter, however, the word, Technology, is replaced by "Industry and Handicrafts."

The structure and contents of the articles in this chapter have been rearranged and amended in order to serve the purpose of institutionalizing the CPV's line, positions, and policies on developing Vietnam's culture, education, science, and industry and handicrafts in its present

socioeconomic conditions, as they have been affirmed in the documents of the seventh party congress and subsequent party documents.

In the draft there are new issues as follows:

- The nature and characteristics of Vietnam's culture are defined as one that is "progressive and national; serves the people; promotes the people's creative talents; inherits and develops the values of the Vietnamese civilization, Ho Chi Minh's thoughts, morality, and style, and the Vietnamese national community's fine traditions; and absorbs the quintessence of mankind's culture. It opposes reactionary and decadent thoughts and culture, and fights against superstition." (article 30) "The state creates favorable conditions for citizens to achieve total development." (article 31)

- The responsibilities of culture and education are defined as follows: "Education provides all Vietnamese citizens with a sense of civil responsibility and lets them live and work in accordance with the constitution and the law, build a happy family, and have patriotism, love for socialism, and true internationalistic spirit." (article 31) The responsibility of culture and art is to "contribute to strengthening the human dignity and noble soul of Vietnamese." The draft recognizes the fact that "the state, collectives, and individuals" all are the components that take part in developing our culture and art. About the form of development, it affirms "cultural and artistic exchanges with other countries in the world." (article 32)

- The responsibilities of the state are defined as follows: "To develop news dissemination, propaganda, the press, publishing activities, libraries, radio, television, movies, and other means of mass communications; to strictly prohibit any news-disseminating and propaganda activities that cause harm to the national interests and undermine the human dignity, morality, and fine way of living of Vietnamese." (article 33)

The draft affirms that the goal of education is "to raise the people's intellectual standard, to train manpower, to improve the talents of people, to respond to the needs for building and defending the fatherland, and to train working people in becoming skilled in their occupation, active, and creative; showing the national pride; and having the will to move forward and to contribute to making the people wealthy and the country strong." (article 35)

"The state manages in a unified manner the national educational system in regard to curricula, contents, plans, and procedures for examinations and training of teachers. The national educational system is broadened further as other forms of private schools and other kinds of training are recognized. The state is given the responsibility for adopting a policy on developing education in the highlands and areas of ethnic minorities." (article 36)

As for science and industry and handicrafts, the responsibilities of the state are to build and to develop in a

synchronized manner various scientific disciplines, for the purpose of making scientific arguments used in formulating our line, positions, policies, and laws; renovating industry and handicrafts; developing the productive force; raising the level of management; guaranteeing the quality and speed of development of the economy; and building progressive science and industry and handicrafts. (article 37)

The draft stipulates that "The state manages in a unified manner the protection of the people's health." (article 39)

The state, society, families, and all citizens share the common responsibility for protecting and caring for mothers and children, and for carrying out the family planning program. (article 40)

#### **Chapter IV: DEFENSE OF THE SOCIALIST FATHERLAND**

Chapter IV of the current constitution has three articles. In chapter IV of the draft, in addition to amending and rearranging the order of the three articles, there is a new article, article 45, which affirms the state's responsibilities as follows: "To build the public security force to make it become a regular, gradually modern, and well-trained one; rely on the people; and serve as the hard core for the mass movement" so as to properly fulfill the task of "maintaining national security and social order and security; guaranteeing political stability and national development; protecting the people's ownership right, lives, and properties, and socialist properties; and preventing and struggling against crimes of various kinds."

On the tasks of the people's armed forces, in addition to the ones that are stipulated in article 51 of the current constitution, there is an additional task of "defending the socialist system." (article 43)

Article 44 of the draft changes the phrase in article 50 of the current constitution, "building an all-people, total, and modern national defense," to make it read, "building the all-people national defense; the revolutionary people's army being regular, gradually modern, and well-trained; and a strong reserve force of draftees and strong militia and self-defense forces."

Article 46 of the draft deletes the words, "... mobilizes the human and material resources..." in article 52 of the current constitution and replaces them with this phrase, "combines national defense with economic development, and vice versa, cares for the material and spiritual living standard of cadres and soldiers...."

On the national defense and security tasks, in addition to the objects listed in article 52 of the current constitution, the draft adds a new one, namely, "economic organizations."

#### **Chapter V: RIGHTS AND OBLIGATIONS OF CITIZENS**

Chapter V of the draft has 35 articles, six more than the number of articles in chapter V of the current constitution. Of the 35 articles, articles 50, 74, 75, 78, and 81 are the same as articles 55, 76, 77, 80, and 81, which remain unchanged, of the current constitution; there are five new articles, which are 48, 55, 69, 79, and 80; the remaining 25 articles are those in chapter V of the current constitution that have been amended.

The fact that five articles in the current constitution are kept unchanged and 26 others are amended plus five new articles in the draft is aimed at developing the socialist democracy along with broadening democracy in favor of citizens, as well as preventing the abuses of the democratic rights that could lead to political and social instability. In defining the rights of citizens, the draft pays attention to the country's actual situation and capabilities, for the purpose of making sure that these rights can be observed.

Attention should be paid to the new points in the draft as follows:

- The constitution affirms and pledges, in a new article, that "human rights are respected and are protected by the law" (article 48). Article 58 of the current constitution which stipulates that in the commodity economy "citizens have the right to have a job" is no longer appropriate. This article has been amended to read as follows: "Citizens have the right to work and to create jobs on their own initiative. The state and society have plans for creating more and more jobs for the working people." (article 53) Also in the multicomponent commodity economy, to recognize that "citizens have the right to do business freely in accordance with the law" is something new compared to the current constitution. To recognize the right of citizens to own the means of production is also necessary and urgent as their right to do business freely is now guaranteed. This recognition is stipulated in article 56 of the draft: "Citizens have the right to own the means of production, capital, and other assets in their business or in other economic organizations."

- On tuition, article 57 of the draft reflects a change in the "free-tuition system" mentioned in article 60 of the current constitution and reads: "The state adopts policies to exempt or reduce tuition and to grant scholarships." It adds: "Citizens have the right to study academic subjects and to have vocational training; gifted students are encouraged by the state and society to study in order to develop their talents. The state and society create favorable conditions for handicapped children to study academic subjects and to learn an appropriate trade."

- On hospital charges, article 59 of the draft reflects the amendment to the phrase, "The state provides free medical examination and treatment," in article 61 of the

current constitution, and reads: "The state adopts policies on health insurance, hospital charges, and exemption and reduction of hospital charges." It adds: "The state strictly prohibits the use of narcotics, adopts the policy of forcing addicts to quit using narcotics, and provides treatment for a number of dangerous social diseases."

- On housing, article 60 of the draft is a rewriting of the entire article 62 of the current constitution to make it reflect more realistically the present housing situation and the ability of the state to guarantee housing for citizens, and reads: "The state fulfills a plan for building houses and at the same time encourages organizations and individuals to build and to do business in housing in accordance with this plan and the law." At the same time, the constitution recognizes and protects "the interests of both tenants and landlords."

- On citizens' freedoms of movement and residence as mentioned in article 71 of the current constitution, the draft adds in article 65 the right "to go abroad and to return to the country from abroad in accordance with the law."

- Article 66 of the draft reflects a more complete and accurate and tighter rewriting of the "freedom of speech, freedom of the press, freedom of assembly, freedom of association, and freedom to demonstrate" of citizens, as stipulated in article 67 of the current constitution, and reads as follows: "Citizens have the right to inform and be informed, freedom of speech, freedom of the press, and the right to assemble, establish associations, and demonstrate. The law stipulates the use by citizens of these rights."

- On the freedom of religion, the following is added to article 68 of the current constitution: "Temples, pagodas, churches, holy places, and other public places of worship of all religions are protected by the state. All religions are equal before the law. Nobody can violate the freedom of religion or take advantage of faith and religion to do things against the law and state policies." (article 67)

To uphold the law more strictly and to protect the inalienable rights of citizens, article 69 of the draft adds two new rules:

1. "Nobody can be considered guilty and subjected to a punishment until a verdict of the court legally becomes effective."

2. People who have been arrested, detained, prosecuted, and tried illegally have the right to be compensated for material damages and to have their honor restored. People who do things against the law and cause damages to others must be dealt with in accordance with the law."

These rules, which are stipulated in articles 10 and 24 of the Vietnamese Criminal Procedures Code, are now included in the constitution for the purpose of upgrading

them into constitutional principles and rules to be upheld in the most legally valuable of all documents of the law.

To satisfy the aspirations and feelings of Vietnamese living abroad to suit the socioeconomic situation in Vietnam, and the current international relationships as well, article 73 of the draft replaces the words, "Vietnamese living abroad," in article 75 of the current constitution with this term, "overseas Vietnamese residents," and at the same time adds a new rule, "The state creates favorable conditions for overseas Vietnamese residents to keep close relations with their families and native country, and to contribute to building their native land."

To suit the situation of the country under the conditions of continually expanding relations with other countries and the fact that more and more people who are not Vietnamese citizens reside and do business in Vietnam, the draft has a new article on foreigners: "Foreigners and stateless people who legally reside in Vietnam must abide by Vietnam's Constitution and law, and shall enjoy protection by the state in regard to their lives, properties, and legitimate interests in accordance with Vietnamese law." (article 80)

#### Chapter VI: THE NATIONAL ASSEMBLY

The draft amendments to the 1980 Constitution this time basically retain the latter's articles regarding the position and functions of the National Assembly (NA). The NA is the people's highest representative organ, the SRV's highest state organ of power, and the only organ having constitutional and legislative authority. The NA makes decisions on basic domestic and foreign policies and on the main principles regulating the organization and operations of the state machinery, and exercises the authority of supreme supervision over all of the state's activities. (article 82)

The amendments this time are made in the spirit of continuing to uphold its position and creating total conditions for the NA to operate effectively.

##### 1. About the NA's duties:

Article 83 of the draft lists 14 NA duties; compared to the 1980 Constitution, the following are additional NA duties:

- To consider reports on activities of the Council of State, government, Supreme People's Court, and Supreme People's Organ of Control;

- To make decisions on socioeconomic development programs;

- To make decisions on financial and monetary policies, budget allocations;

- To ratify the nominations of deputy premiers, ministers, and other members of the government as recommended by the premier;

- To make decisions on the merging, dividing, and establishing anew of provinces and municipalities subordinate to the central government;
- To establish or dissolve special administrative-economic units;
- To issue regulations on the state of emergency and other special measures to maintain national defense and security; to periodically consider reports on the state's foreign-policy activities;
- To make decisions on referendums.

The draft eliminates the last part in article 83 of the 1980 Constitution, namely, "The NA can create for itself other duties and powers as it deems it necessary," because it may be misconstrued as a statement the NA may rely on to act in accordance with its own liking.

2. About the NA's term: The draft retains the five-year term, but stipulates the shortening of this term under special circumstances and with approval by at least two-thirds of the NA deputies. (article 84)

3. About the NA's sessions: The draft raises the number of sessions from two to three a year. (article 85) This amendment is aimed at gradually making the NA work more on a regular basis.

4. About legislative initiatives: The draft stipulates additional forms of submitting new legislations. NA deputies have the right to submit bills and legislative resolutions. (article 86) Legislative resolutions are a simpler form of legislative bills and may be more suitable for NA deputies in terms of actual conditions.

5. About the NA's chairman and vice chairman:

- According to the 1980 Constitution, the NA can elect a number of NA vice chairmen, but the draft amendment now says there will be only one NA vice chairman. (article 89)

- Because the aim of the amendments to the constitution is to make the Council of State correctly fulfill its functions of being the NA's permanent organ, the duties of the NA chairman is, along with the Council of State, to prepare for, convene, and preside over NA sessions; to direct, regulate, and coordinate the activities of the Nationalities Council and NA committees. (article 100)

6. About the NA's councils:

The NA elects the Nationalities Council and National Defense and Security Council.

- According to the 1980 Constitution, the NA elects the National Defense Council. Now the draft changes the latter into National Defense and Security Council and stipulates additional duties and powers for this council in terms of its serving as staff of the Council of State and its chairman, and being responsible for reporting to the NA and Council of State on national defense and security matters. (article 90)

- About the Nationalities Council, article 91 of the draft stipulates additional duties for it, namely, to study and to make recommendations to the NA on matters having to do with nationalities and plans and programs for socioeconomic development of the highlands and areas inhabited by members of ethnic minority groups.

7. About the NA's committees:

- The NA establishes NA committees. The draft stipulates the following additional duties for NA committees: to study and examine legislative resolutions; to submit to the NA their own opinions on matters having to do with organization and personnel under the NA's jurisdiction. (article 92)

8. About activities of NA deputies: The draft contains something new, namely, a fixed percentage of members of the NA's councils and committees are to work under a system of specialized fields of activity. The percentage of specialized deputies is determined by law. (articles 91 and 92)

The draft amendments show some changes in regard to the duties and powers of NA deputies as follows:

- NA deputies are to gather and accurately reflect the opinions and aspirations of voters; to supervise and monitor the resolving of citizens' complaints and charges; and to guide and help citizens, and to motivate them to implement the Constitution and laws. (article 94)

- State organs have the responsibility for providing NA deputies with any documents that they need and request. (article 97)

## **Chapter VII: THE COUNCIL OF STATE AND ITS CHAIRMAN**

- According to the current constitution, the Council of State is the NA's highest regular organ and the SRV's collective presidency. (article 98 of the 1980 Constitution)

After 10 years of implementation, the articles on the Council of State have achieved a great deal and have made important contributions to gradually heightening the NA's role and effectiveness, and have at the same time revealed some weaknesses that should be corrected.

2. The draft amendments contain the following changes:

- As to the heading of the chapter, from "The Council of State" in the 1980 Constitution it is revised and becomes, "The Council of State and Its Chairman."

- About the Council of State's position, the draft affirms that the Council of State is the regular organ of the NA, is elected by it, and is responsible and reports to it. (article 98)

The constitution clearly mentions the work about which the NA assigns it to decide, and the work on which it must report to the NA for approval after making its own decisions.

- The draft affirms that the chairman of the Council of State is the head of state but works closely with the Council of State as a collective, and eliminates the system of collective presidency. (articles 99 and 101)

- The chairman of the Council of State has a number of important duties and powers, but the major issues are primarily decided by the Council of State in the capacity of the NA's regular organ. The NA chairman is the vice chairman of the Council of State. This way there is a close association between the head of state and the NA chairman because both are members of the Council of State.

Some of the noteworthy points in the amended articles are as follows: To determine the limits within which the Council of State can issue regulations; to clearly assign the Council of State the supervision of activities of the Supreme People's Court and Supreme People's Organ of Control; the Council of State, along with the NA chairman, guides, regulates, and coordinates the activities of the Nationalities Council and NA committees; and the Council of State organizes referendums. (articles 98, 99, 100, 101, and 102)

Some duties and powers of the Council of State that are now assigned to its chairman are as follows: to promulgate the Constitution, laws, and regulations; to make decisions on awarding orders and medals, granting promotions to high-ranking army officers, and so on. As to other important work, the chairman of the Council of State, on the basis of the latter's resolutions, issues orders for their implementation. (article 103 and 104)

3. About the issue of the head of state and the NA's regular organ, the Constitutional Amendment Committee has studied three additional plans, but the one that calls for the Council of State being the NA's regular organ and the chairman of the Council of State being the head of state is the most suitable one for the situation of our country.

#### **Chapter VIII: THE GOVERNMENT**

1. The Council of Ministers in the 1980 Constitution becomes the Government in the draft. The government is still defined as the executive organ of the NA and the SRV's highest state administrative organ.

The government is responsible to the NA and reports on its work to the NA and Council of State. (article 106)

2. The head of the government is the premier (the current constitution calls the latter chairman of the Council of Ministers). The premier is elected and dismissed by the NA.

Currently members of the Council of Ministers are elected by the NA. The draft makes this amendment:

Members of the government are appointed by the premier who submits their nomination to the NA for ratification. (article 111)

The majority of members of the Council of Ministers currently are NA deputies. The draft makes this amendment: Except for the premier, other members of the government must not, of necessity, be NA deputies. (article 107)

3. About the duties and powers of the government and premier:

According to the current constitution, the Council of Ministers works under a collective system to deal with matters within its duties and powers. Its chairman's duties are only those having to do with leading, guiding, supervision, and control. The draft now positively defines the duties and powers of the government and premier along the line of increasing the premier's powers, which include some more noteworthy ones as follows: to recommend to the NA the establishment or abolition of ministries and other organs of the government; to submit to the NA for ratification the nominations of government members; to appoint and dismiss vice ministers and equivalent positions; to appoint, dismiss, and transfer chairmen, vice chairmen, and members of administrative committees of the provinces and municipalities subordinate to the central government; and to implement a system of making reports to the people through the mass media on important issues to be resolved by the government. (article 111)

#### **Chapter IX: PEOPLE'S COUNCILS AND ADMINISTRATIVE COMMITTEES**

1. The draft amendments to the 1980 Constitution still retain the SRV's administrative units at four levels—central, district, ward, and municipal.

2. About the people's councils and administrative committees, the draft affirms that our state is a unified one, hence, there cannot be a concept about the central state and the local state. The people's councils are the local people's representative organs, represent their will and aspirations, are elected by them, and are responsible to them and to the superior state organ. The draft eliminates the old article 114, which says: "The people's councils are the state's organs of power in local areas."

To make their functions and duties clearer, the draft changes the name of the people's committees at all levels to administrative committees. Administrative committees have the responsibility for carrying out the resolutions of the people's councils at their own level. (article 122)

The draft stipulates that the people's councils and administrative committees at all levels are placed under the guidance of the superior administration organs and must obey all decisions made by the central administration. Within the limits of their duties and powers, the local administration organs are granted decentralized



managerial authority by the central government. Local administration has the right to act on its own initiative, to take initiative, and to suggest the measures to be taken to implement the law, but it absolutely cannot issue regulations that go against the law and documents of the superior administration.

Article 118 of the draft specifies that provincial and district people's councils elect their own chairman, vice chairman, and secretary, but that village people's councils elect only their chairman. The main duties of chairmen, vice chairmen, and secretaries of people's councils are to prepare for the latter's meetings and to organize control of the implementation of people's council resolutions, but they do not have the right to make decisions on the work that is within the people's councils' authority.

The current constitution stipulates that chairmen of the people's committees at all levels are elected by the people's councils at their same level. To strengthen unanimity from top to bottom within the state machinery, the draft makes this amendment: Chairmen of provincial and municipal administrative committees are appointed, dismissed, and transferred by the premier; chairmen of district, ward, and subward administrative committees are appointed and dismissed by chairmen of the superior administrative committees. These appointments are based on recommendations by the people's councils at the same level. (article 123)

As to village administrative committees and their chairmen, they are still elected by village people's councils and approved by the superior echelons. (article 123)

The draft amends a number of other articles (article 126) on the relationships between the VFF and local administration, and affirms the supervisory role of the VFF and its members toward the activities of the people's councils and their members and of administrative committees.

#### **Chapter X: PEOPLE'S COURTS AND PEOPLE'S ORGANS OF CONTROL**

Chapter X on the people's courts and the people's organs of control of the current constitution is kept basically intact. The draft amends a few points as follows:

The system of judges being elected by the people's councils is changed to that of judges being appointed. (article 129) The appointment system will create favorable conditions for judges to do stable work for a long time, which will allow them to train themselves professionally and to gain experience. Appointment procedures and judges' term will be determined by the Law on Court Organization.

The draft adds to the article on the current system of trial organs the establishment of other courts. This stipulation creates a legal base for the establishment, when conditions allow, of economic courts, administrative courts, and labor courts.

#### **Need for Preamble in Constitution Discussed**

922E0097B Hanoi NHAN DAN in Vietnamese  
15 Jan 92 p 1

[Article by Nguyen Nien: "Discussions on Constitutional Amendment Draft—Does Constitution Need A Preamble?"]

[Text] This is the question that is being raised as we proceed with drafting amendments for the 1980 Constitution. Some people think that the constitution this time does not need a preamble. Other people think that we do need one, must clearly and fully write down in it the revolutionary achievements made in the past half a century, and point out the basic tasks that our country's revolution is to fulfill in the future.

As we read the constitutions of several countries in the world, we have found that all of them have preambles. Our country's 1946, 1959, and 1980 constitutions have preambles, too. About the principles and structure of the constitutions that we have had, the preambles not only are a part of their structure but also bear the traditional character of the constitutional history of our country, and of the world as well. The first constitutions in the world were the inheritance and continuation of declarations, such as France's Human Rights Declaration, the United States' Declaration of Independence, Soviet Russia's Declaration on the Workers' Rights, and so on. Although a preamble does not contain a constitution's legal rules and principles, it is in fact a historical statement having a great legal significance for a nation, a country.

The birth of any constitution marks a historical stage, or a change in the social system of a country, just like our country's 1946 Constitution, which was born after the August Revolution had overthrown the colonial and feudal system and the Democratic Republic of Vietnam had been created, or the 1959 Constitution, which marked profound and great socioeconomic changes—the socialist construction in the North, the liberation of the South, and the completion of the people's national democratic revolution throughout the country. The 1980 Constitution was the one having to do with the nationwide building of socialism in the period of transition. Each and every one of our country's constitutions reflects the historical conclusion in the different stages of our country's revolution. Therefore, in our opinion, not only does the constitution this time need a preamble but its content has to be revised in a basic and total manner so as to affirm the revolutionary achievements that we have made and to set a direction for us to take to move toward socialism, in accordance with the resolutions adopted by the seventh party congress.

We think that the preamble of the amended constitution this time should be written more concisely. The preamble of the 1980 Constitution reflects a brief but profound review of the history of our national construction and defense, and highlights the traditions of solidarity, generosity, righteousness, and invincibility—an

important factor contributing to maintaining independence and building Vietnam's civilization. It asserts our people's great achievements since 1930, when under the leadership of the Communist Party we defeated foreign aggression, defended our fatherland and borders, proudly fulfilled our international obligation, and led the country as a whole into the stage of transition to socialism.

An amended preamble also reflects the affirmation of the path followed by our people to move forward, i.e., to continue the total renovation of our country and to move it toward socialism on the path chosen by our party and Uncle Ho. An important characteristic of the recent international situation was the grave crisis in the socialist community, which has led to the collapse of the Soviet Union and socialist countries in Eastern Europe and has caused disappointment among many people about socialism. This is also an opportunity for enemies of different kinds to attack socialism, including socialism in our country. Therefore, the preamble of the amended constitution stresses our people's firm determination to follow the socialist path and reflects the confidence that socialism will be successfully built in our country.

The preamble of the amended constitution also affirms a principle, a truth, i.e., the CPV [Communist Party of Vietnam] leads the state and society. This is not only a principle but also a reality that has been tested and proved ever since the party was born and assumed leadership over the revolution. The achievements of Vietnam's revolution in the last decades cannot be divided, nor can they exist without the CPV's leadership.

We welcome and agree to the method of writing down concisely but effectively the basic needs mentioned in the preamble of the amended constitution, the draft of which has just been made public.

#### **Article Advocates Basically Amending 1980 Constitution Now**

922E0097A Hanoi NHAN DAN in Vietnamese  
14 Jan 92 p 1

[Article by Hong Vu (Hanoi): "Discussions on Constitutional Amendment Draft—Basically Amending 1980 Constitution Is A Necessity"]

[Text] *Ever since the National Assembly made a decision on proceeding with amending the 1980 Constitution there have been different opinions expressed by the public. Quite a few people think that it is not yet time to raise the question of amending the 1980 Constitution because the changes in the country's situation are steadily going on; the situation is not yet truly stable; and we do not have all the factors needed to draft a perfected constitution, the effects of which are to last for a long time. Therefore, they say that, for the time being, we should use the party congress resolutions as a basis, creatively apply them while implementing the present constitution, and wait until the objective and subjective conditions are ripe*

*before basically amending it, and that this way it would still not be too late and we could avoid making repeated amendments. Other people think that we should not amend the constitution now but amend just a few articles the contents of which have obviously been rendered inappropriate by realities and wait until a more appropriate time to amend other basic points. Still other people think that, on the basis of the past experiences of a number of socialist countries, amending the constitution and thus making it fall victim to changing the political system obviously is not something we should do.*

We share the above-mentioned concerns, but we think that, in spite of our desire to build a state of law, the fact that we now have the Constitution (or the basic law) saying one thing and actual laws saying another thing or rely only on the party's resolutions while implementing the Constitution is unacceptable.

In the case of our country, the 1946, 1959, and 1980 Constitutions both review the achievements of the revolution and point to the fundamental directions in regard to the political, economic, and social systems, as well as to the structure and activities of the state machinery, and define the obligations of every organization and every citizen in carrying out the Constitution for the purpose of ensuring that our country's revolution attain the goals that have been set for it. We profoundly understand that the constitutional amendment draft, which has just been made public, shows the inheritance of the ideological values described in the three previous constitutions, at the same time fulfills the historic task of institutionalizing in a more obvious manner the line on total renovation recommended by our party as early as at the sixth party congress, and is a general confirmation of the major issues in the "Program of national construction in the period of transition to socialism" and the "Strategy for economic stabilization and development by the year 2000," which have just been approved by the seventh party congress. This is an important basis for guaranteeing to allow us to continue the socioeconomic renovation and the steady renovation of the political system. We concur with the seventh party congress's view to the effect that after having carried out the sixth party congress resolution for more than 40 years, we "have attained very important initial achievements" in many aspects of the renovating effort. Closely linked with the economic achievements, the initial results obtained from the process of democratizing socialism in various aspects of the social life in many ways have a profound significance. The goals and operation formulas of organizations in the political system have shown renovation steps in the direction of promoting internal democracy, strengthening the power of elected organs, and raising the managerial efficiency of administrations at all levels. The state machinery has gradually moved toward correctly carrying out its managerial functions and putting an end to its interference in business operations of the basic level. These important results, along with the multifaceted and rich development of our country's economic, political, cultural, and scientific life,

have rendered many articles in the 1980 Constitution inappropriate. This fact determines the basic change required in terms of what needs to be amended in the Constitution, in the political and economic aspects, in the structure of the state machinery, and the basic obligations of citizens. This is the objective demand for basically amending the present Constitution.

On the other hand, because the 1980 Constitution was born in the period of bureaucratic centralism and state subsidies, it contains a number of articles reflecting impatience and voluntarism, and having the character of a program rather. Many articles excessively surpass the socioeconomic reality of the first stage of the period of transition to socialism in our country. (For instance, to go to school and to have medical treatment totally free.) The definition of organization of the state machinery also contains inaccurate points, which lead to incorrect leadership over implementation; for instance, regarding the subject of the state's power, the concept is this power lies not only with the National Assembly but also with people's councils at all levels. State organs work with poor efficiency and poor results; even the National Assembly, which is the highest organ of state power, is rather formal in many of its activities. The fact that many organizations at the basic level mistake the functions of the party for those of the administration leads to their doing all the work and taking the place of the administration. In the relationships between administration organs and elected organs, the role of the former usually overshadows that of the latter. In addition, the fact that deputies of elected organs also have professional activities also is one of the reasons behind the formal character of elected deputies. In the meantime, in the election of deputies to elected organs, importance usually is attached to the latter's structure while criteria and abilities to fulfill assigned tasks are underestimated.

The above-mentioned weaknesses are also the reasons behind the need for basically amending the Constitution.

### **Renovation Policy Suggested in Draft Constitution**

922E0098A Ho Chi Minh City TUOI TRE  
in Vietnamese 18 Jan 92 pp 1, 5

[Article by Huy Duc: "Municipal Fatherland Front Committee Contributes to Discussions on Draft Constitution—Showing More Clearly Party Renovation Policy—10th and 11th Precinct Judiciary Services Express Opinion on Draft Constitution"]

[Text] On 16 January, members of the Municipal Fatherland Front Committee met to discuss and to offer opinions on the constitutional amendment draft. More than 20 ideas were expressed and concentrated on these major issues:

#### **—It Is Necessary To Institutionalize the State Management-Party Leadership Relationship**

All members recognized the need for asserting in the constitution the leadership role of the party, which is a

reality of Vietnam's revolution. Father Ngo Dinh Phan explained further: "Because the Preamble asserts that the constitution is 'to institutionalize the principle of the people being masters, the state managing, and the party assuming leadership,' as mentioned in article 4, we should state more clearly the party's leadership relationship with the state and with the people."

#### **—Improvement of State Machinery Must Better Reflect the Party Renovation Policy**

This was the issue that most members commented on. They all thought that draft III does not clearly reflect yet the line on renovation that the sixth and seventh party congresses have recommended. Here are details of some of the opinions expressed at the meeting:

**About the National Assembly:** Engineer Pham Van Bay thought that we could not continue to maintain a National Assembly that is in charge of nothing specific. He said: "If a person is a National Assembly deputy, he should not hold any position in an executive or judiciary organ." Musician Hoang Hiep emphasized further: "The fact that the law is not upheld as it was shown lately results from the fact that people hold more than one position and mistake one function for another, as in the case of 'a person both kicks the ball and blows the (referee's) whistle.'" Many members thought that if there are not enough National Assembly deputies who do not hold any other positions as it is the case of the current National Assembly, the total number of deputies can be reduced from about 100 to 150.

Lawyer Nguyen Thanh Vinh suggested that the National Assembly be made up of two chambers, with a senate composed of deputies from provinces and municipalities, one from each of them, and serving as a force to make the National Assembly work better. In his opinion, as the draft shows, there is no clear separation between the National Assembly's constitutional and legislative authorities. These are two totally distinct functions, which should not be mistaken one for the other.

**There should be no State Council:** This was the opinion of the majority of committee members. Professor Le Minh Triet (Vietnam Institute of Science) said that draft I has proposed a plan calling for a national president [chu tich nuoc] (the Council of State would be abolished) and soliciting the opinion of key cadres, and that it had the support of the majority of them. (Professor Ly Chanh Trung added that at the ninth meeting, the majority of 289 National Assembly deputies unanimously chose the plan calling for a national president. Twenty-nine of the municipality's delegation of 30 deputies unanimously chose this plan.) Professor Le Minh Triet opposed those who thought that because of Eastern Europe and the situation in the Soviet Union, we should keep the system of State Council. And he considered that a false alarm because the characteristics of Vietnam's revolution were totally different compared to the Soviet Union and Eastern Europe. Mr. Nguyen Van Ham thought it was more a tendency to prevent the government and the

National Assembly from becoming strong enough than a fear for having a national president [chu tich nuoc] or presidential regime [tinh che tong thong].

Lawyer Nguyen Minh Chuong offered an analysis: The fact that the draft constitution states that the Council of State is the standing organ of the National Assembly and at the same time asserts that the national president is the chairman of the Council of State is wrong because the idea about the national president, who is the *chief executive*, being also the head of the *legislative body* (standing organ of the National Assembly) is an irrational one.

**Are recommendations by the people's councils needed for appointments and dismissals of administrative committee chairmen?**

Lawyer Nguyen Minh Chuong thought that for the appointment and dismissal of administrative chairmen, no recommendation by the people's councils should be needed. To do otherwise would not satisfy the need for unifying the powers of the government and strengthening the specialized ability to manage of the state. To call for recommendations by the people's councils would be an indirect admission that administrative committee chairmen are the people's councils' proteges and that the government's appointing power is just a formal one. The fact that the government is affirmed as the *executive body* of the National Assembly is far from accurate. According to the members who expressed their opinion, we should not avoid the words, *the executive*, because this name correctly describes the nature of the government.

This week the judiciary services of the 10th and 11th Precincts also held meetings to solicit opinions regarding the draft constitution and received many elaborate suggestions.

**Professor Discusses Gold Mines in Country**

922E0089A Ho Chi Minh City THOI BAO KINH TE  
SAIGON in Vietnamese 26 Dec 91-1 Jan 92 p 14

[Article by Professor Tran Kim Thach: "SEAGOLD 91: From Dream to Reality;" Words in boldface as published.]

[Text] At a time when the price of gold keeps soaring daily, the 1991 Symposium on Gold in Southeast Asia—or SEAGOLD 91 for short—has brought about a current of fresh air and introduced a new way of looking at this mass of resource of an intensely dramatic socioeconomic character. But will the highly encouraging information about our gold mines from the north to the south, presented against the background of a Southeast Asia rich in gold deposits as well as vastly experienced in gold mining and centrifugal extraction, make everyone feel more comfortable with their dream about using Vietnam's gold to effect a socioeconomic takeoff?

**Choosing Vietnam, a New Land and the Promised Land of Gold**

The international organizing committee, which picked Vietnam as the venue of the symposium on gold must

have seen our country's rich potential in gold. Although we still rely mainly on the classic "tectonic plate" doctrine, we have discovered—by applying the principles of induction—the types, structures, and geological characteristics of the Vietnamese earth crust which contains a significant amount of gold. Aside from gold, there are countless other precious metals which we cannot yet deal with within the limits of this article.

Vietnam's gold resource had lain dormant underground throughout the two wars of resistance. After peace was restored, this "Golden Sleeping Beauty" continued to hibernate for nearly 15 years. But now, she has begun to wake up with the tremendous vigor of a magic wand.

According to the 20 papers presented by Vietnam at the symposium on the laws of natural formation, condensation, transformation, and enrichment of gold ores, everywhere in Vietnam gold can be found in quantities worth exploiting if we have at our disposal the same level of modern techniques as Australia and Indonesia. Regarding gold imbedded in stone, we need only to extract three grams of gold from each tonne of ore to stay viable. In friable and loose soil found in rivers, springs, river mouths, seacoasts, and seabeds, a yield of 1.5 grams of gold from one tonne of ore is enough to guarantee a "surefire, sustained profitable undertaking." During three days of concrete training, an instructor presented new technology capable of helping us pluck gold from ores with an extremely low gold content—under 1.5 gram per tonne—if we have sufficient equipment and chemicals. There are centrifugal gold separators and refining machines mounted on wheels or on a barge which take in ores at one end and spill out crude gold at the other end. This is indeed unimaginable to the barefooted gold diggers. With such mini factories, gold—whether it is visible or hidden from view, whether it is concealed in the earth crust in the form of solid rocks or loose soil—can all be extracted for refinement. Obviously, Vietnam is the promised land the future gold industry.

**Basic Research Closely Linked to Technology**

Assessment of the value of a gold mine is the result of basic researches into the origins of gold mine formation and the nature, movement, and location of gold deposits, all of which constitute the scientific data highly necessary for identifying the factors that determine and limit the gold content. These data also serve as the basis for the process of enrichment, centrifugal extraction, and refinement of gold later on. We should not be casual in collecting samples, setting up prospecting networks, and carrying out in-depth drillings. Nor can we be superficial in carrying out the tasks of analyzing samples, checking results, and verifying both the theoretical and actual gold contents of a mine. Normally, we should be happy if we

could pry 30 percent of gold from the theoretical content of a mine. The world can extract 70 percent, but still with great difficulty.

At present, we do not lack gold mines containing hundreds of tonnes of gold that could be extracted by the centrifugal method. We have many open-cast gold mines, and we do not have to go down to the depth of 5,000 meters as they do in South Africa. However, what we sorely lack are people who are experienced in gold mining and suitable machinery and chemicals. Indonesia is endowed with a tradition of gold mining dating back to 100 years before it regained independence (right after the end of World War II). Yet, it was not until 1988 that it could resolve its own gold mining problems without foreign assistance. When I went to work in that country in the early 1970's, their laboratories and mining areas were so crowded with foreigners that they looked like a "pocket-sized United Nations." But now, there is no one else except Indonesians in the decisive areas of gold extraction and refinement. This is similar to the case of the Algerians in the oil industry. This is a very profound lesson for Vietnam, a country with a very strong contingent of gold prospectors, a weak contingent of miners, and an almost nonexistent contingent of refiners.

#### How To Produce Gold Ingots Quickly

Gold scientists have long drawn their maps and charts, prepared their analytic and synthetic figures, and evaluated gold quality with the same meticulous care as shown by an artist who polishes up every single lovely piece of inlaid mother-of-pearl on an ebony cabinet. But that is all these scientists would do! In spite of their highly respectable scientific quality, such reports, still sounding academic, can hardly convince investors to lay out their money. No scientific report can be credible without being academic, but if it just stops at that, its credibility will evaporate in no time. Over the past 15 years, the Polytechnic college [of Ho Chi Minh City] has "thrown itself" into the quest for gold... but only in basic research, just like the efforts of the University [of Ho Chi Minh City]. In the wake of SEAGOLD 91, it is certain that this advanced learning institute will make a timely, radical change by directing its efforts toward the development of technology in support of the trading of a metal that is as old as the earth itself but still poses pressing problems for Vietnam like some modern diseases for which no effective cures have been found.

Why? Because life only demands concrete gold ingots. Anything else relating to gold is just a trimming to which no one would pay attention.

### MILITARY

#### Vice Defense Minister Views Socioeconomic Tasks

922E0092A Hanoi QUAN DOI NHAN DAN  
in Vietnamese 20 Dec 91 pp 1, 4

[Interview with Lieutenant General Nguyen Trong Xuyen, vice defense minister and National Assembly

deputy from Ha Nam Ninh Province, by unidentified QUAN DOI NHAN DAN correspondent; place and date not given: "Difficulties Should be Urgently Resolved so That the Army Can Satisfactorily Fulfill the Tasks Entrusted by the Party, the State, and the National Assembly"]

[Text] [QUAN DOI NHAN DAN] Comrade, what is your opinion of the implementation of the 1992 socioeconomic tasks?

[Nguyen] After studying the socioeconomic report presented by Comrade Vo Van Kiet, chairman of the Council of Ministers, I have come to agree with him completely.

Nineteen ninety-one was a year fraught with difficulties and trials for our national economy. But by bringing positive factors into play, accurately forecasting the situation, and successfully anticipating the difficulties, we ensured proper conditions for stabilizing the socioeconomic situation and contributing to maintaining a stable political situation in the country.

In 1992, by turning our past achievements and experience to good account and foreseeing the difficulties, we are resolved to maintain socioeconomic stability and development and political stability at all costs. We must continue to push forward the renovation process in a steady manner and comprehensively implement all major tasks, orientations, and measures. We must effectively combat inflation; strongly promote production; especially, develop agriculture, forestry, and fishery; give a fillip to the processing industry; and ensure steady self-sufficiency in food and surpluses for reserves and export. We must ensure full tax collection to meet budgetary requirements, and absolutely combat shortfalls in tax collection. We must economize on expenditures and spend money only for the country's vital tasks. The state must assume the unified management of expenses in both Vietnamese and foreign currencies; Vietnamese currency must be used in domestic transactions; and the state must place foreign currency under its unified management for use in buying essential commodities.

We must resolve the wage issue by all means because the living conditions of the salaried, especially in the non-productive administrative sector and the Armed Forces, are already too difficult.

We must work out well-coordinated and effective policies and measures to speed up the afforestation on fallow land and barren hills because this is an important question in our national economy. The Army can participate in this task; it only wishes to suggest that the state helps by investing more capital, providing more saplings, and giving scientific and technical assistance.

To satisfactorily carry out our tasks in 1992, I would like to suggest that we concentrate on definitely and effectively resolving the following problems: purifying the party's internal ranks, state organs, and various echelons

and sectors; combatting corruption and smuggling; and upholding the responsibility of all echelons. At the same time, we must improve the efficiency of state management; uphold law and order in all activities of the country; all transgressions of the law must be investigated and verified, clear-cut conclusions must be drawn thereof, and strict and just disciplinary actions must be taken against the right culprit for the right offense.

I would also like to stress this: We must be constantly on the alert and closely follow the schemes and acts of all hostile forces to stand ready to cope with them in any eventuality. The enemies schemes are insidious, but the enemies themselves still have their limitations. The important, decisive thing is to make our country strong socioeconomically and also in national defense and security, stabilize and develop our country step by step, and satisfactorily resolve various social problems. If we are strong, the enemies cannot touch us.

[QUAN DOI NHAN DAN] Comrade, what is your opinion of the implementation of the national defense tasks in 1991.

[Nguyen] In 1991, the Army continued to deploy and readjust its forces according to plan. It concentrated on political and ideological education and virtually completed holding party congresses at various levels with good results. Well-coordinated actions were taken to carry out various national defense tasks. The training plans for all the three categories of troops were completed and military exercises were conducted at various levels and in some localities. The general quality of troops was improved, especially their political ability and their level of combat readiness.

The Army has worked together with various localities and the public security forces to help maintain public order and security, has collected weapons and equipment for preservation and maintenance, and has actively engaged in productive labor and practiced thrift to care for soldiers' lives and to carry out the military welfare policy.

The Army has fulfilled the tasks entrusted by the party, the National Assembly, and the people. Always a loyal and reliable force of the party and state, it has persisted in the path of socialist revolution and has defended the fatherland, the regime, the party and the people.

However, the Army is still facing difficulties because it must carry out its annual tasks while having to resolve remaining problems left behind over the past decades and to tackle new ones.

[QUAN DOI NHAN DAN] Would you please elaborate on these difficulties?

[Nguyen] These difficulties are:

- The living conditions of soldiers and cadres are difficult. Soldiers' diet is below the rations determined by the chairman of the Council of Ministers; the quality

of their clothes is poor; drugs for specialized therapeutic purposes are in short supply, in particular malaria medicines; the medical crops' equipment is obsolete and insufficient; housing and barracks are old and lacking. Company officers' salaries are not enough to cover their food expenses.

- Funds are lacking for the maintenance of modern weapons. At the same time, our country also has to pay attention to procuring various kinds of weapons in conformity without capabilities for long-term use in national defense.
- The living conditions of Army officers, including both those who are still in active service and those who have already retired, are very difficult. Therefore, there should also be a budget to help these comrades ensure their own livelihood and to aid their families as well.

[QUAN DOI NHAN DAN] In your opinion, how should these problems be resolved?

[Nguyen] From past to present, the National Assembly, the Council of State, the Council of Ministers, the party committee echelons, the local administrations, and the people of various nationalities have devoted themselves to building the Army. However, these efforts have not yet met the Army's requirements.

The Standing Committee of the Council of Ministers has held many direct meetings with the Defense Ministry, the State Planning Commission, and the Finance Ministry to consider and resolve the question of ensuring the Army's welfare.

Today, from the figures contained in the report on the defense budget presented to the National Assembly, we can see that the projected expenditures cannot meet even the bare minimum requirements of the Army. We would like to suggest that the National Assembly considers adoption of a defense budget capable of realizing the following goals: Ensure that the Army receives its rations in full and of the prescribed quality, stabilize the living conditions of soldiers, and, at the same time, satisfy the Army's pressing need for techniques and equipment and meet the requirements of the military welfare policy, thereby creating proper conditions for the Army to fulfill the tasks entrusted by the party, the state, and the National Assembly.

#### Special Operations Commander on Economic Tasks

922E0092B Hanoi QUAN DOI NHAN DAN THU BAY  
in Vietnamese 28 Dec 91 p 2

[Interview with Major General Tu Cuong, commander of Special Operations Force, by unidentified QUAN DOI NHAN DAN THU BAY correspondent; place and date not given: "Special Operations Troops Will Continue to do Economic Work and do it Even Better"]

[Text] [QUAN DOI NHAN DAN THU BAY] Comrade Commander, other armed branches would not cause

much surprise if they engaged in economic work. As for the combatants of the Special Operations Force, who had for a time struck terror into enemy troops, can they combine military activities with economic work and do it proficiently now?

[Tu Cuong] One thing that realities over the past few years have proven is that Special Operations troops, who have achieved high efficiency in combat, are also capable of carrying out economic work methodically and efficiently. First of all, in their economic activities, Special Operations force members abide by the state law and the Defense Ministry's regulations. They have determined that economic building is a long-term undertaking aimed at partly cutting the costs of training and maintaining combat readiness. It is true that our combatants must be especially well-trained and have great fighting ability. However, this does not prevent them from being equally "well-trained" in economic work. We have coordinated with various sectors and localities in maintaining public order and security and safeguarding socialist property, and this is also a way of doing economic work. For example, recently our force contracted to protect the warehouses and cement transportation of the Bim Son Cement Factory. We also signed contracts with various local and central corporations to exploit the precious stone mine area in Central Vietnam. These activities have all yielded practical results, "benefiting both the country and the families." Owing to our economic work, during the past two years we have obtained additional capital totaling hundreds of millions of dong to build barracks and buy machinery and equipment for use in training and production.

[QUAN DOI NHAN DAN THU BAY] How will the Special Operations force continue its economic work in 1992?

[Tu Cuong] The Special Operations force's party committee and command have outlined a plan for the implementation of our tasks next year. Naturally, we will have to do economic work on a larger scale and in a more satisfactory manner. The concrete orientations are still similar to last year's, namely, to combine economic building with maintaining local security, extracting mineral products, quarrying, doing work on contract, processing finished products for export....

## ECONOMIC

### Foreign Investments in Ho Chi Minh City

92SE0185B Hanoi VIETNAM NEWS in English  
3-5 Feb 92 p 8

[Text] "The most striking feature in implementing foreign investment projects in Ho Chi Minh City last year was the introduction of new technologies," said Mr. Vo Thanh Cong, vice chairman of the Investment Expertise Committee of Ho Chi Minh City and Executive member of the Vietnam Economic Association in a recent meeting with a *Vietnam News* reporter.

According to Mr. Cong, the capital invested in the city in 1991 was UDS [as published] 450 million, bringing the total of the past four years to UDS [as published] 850 million. The city has so far granted licenses to 166 projects, of which 77 were under the municipal administration, 61 were centrally-run, 18 were unded [as published] the provincial authorities and ten oil and gas exploration companies.

Among the municipal projects, 65 are progressing well. They include projects owned by foreigners, 6 trading contracts and 53 joint ventures.

Mr. Cong noted that the foreign investment in 1991 was marked with the introduction of some new technologies in the city such as the installation of a 45,000-member electronic telephone exchange, the advanced banana farming techniques, the diamond lapidary technique, the production of electronic separate parts (formerly the assembling of electronic parts) among others. Another encouraging event was banking and finance cooperation.

However, he said, nearly 20 licenses were withdrawn. He stressed that investment is still a new field to leaders as well as scientists, technicians and economists of Vietnam. The current discussion is focused on macro-management by the Central government and the use of professional skills in the localities. The city has merged the Municipal Investment Assessment Committee, and the Office for Investment Cooperation with foreign partners under the city's External Economic Relations Service into the city's Committee for Investment Cooperation and Assessment.

The committee's main tasks are to help the City People's Committee in managing the investments and cooperation between the city, foreign partners and various provinces. It is directly run by the latter and received professional guidance from the State Commission for Cooperation and Investment. It is also the receiver of applications for foreign investments and files submitted by project owners and their foreign partners, and responsible for assessment of the projects to help the latter in making decisions.

Mr. Vo Thanh Cong expressed the hope that the investment capital of the city in 1992 would increase by 1.5 times as compared with 1991 and would rise to USD 5 billion in 1995.

### HCM City Foresees More Exports in 1992

92SE0185E Hanoi VIETNAM NEWS in English  
3-5 Feb 92 p 21

[Text] Ho Chi Minh City can boast trade relations with 24 countries. Now, it turns its attention to overcoming barriers to further import-export trade, hoping to increase exports from USD 445 million in 1991 to the 1992 goal of USD 580 million.

The year of 1991 saw State incentive policies that helped broaden foreign economic relations and encourage



export-import operations. There were difficulties for producers, businessmen, exporters and importers to face, as the traditional markets of the Soviet Union and Eastern Europe were sharply narrowed. Along with capital shortages (the State allocation was just 5.8 per cent of the working capital), high export-import tax and the soaring prices of gold and US Dollar businesses had much to overcome.

Businesses rallied, though, despite these disadvantages. They studied the market, and invested in new equipment and technology to improve the quality of exports thereby raising their value. Farm products and processed foods alone accounted for 44 percent of the total exports due to an increase in the export of beans, frozen meat and cashew nuts. Progress was also made in the export of sea products (25 per cent of the total export value), industrial and handicrafts (18 per cent), and processed forestry products (10 per cent). This was attributed to the forming of Vietnamese-foreign joint ventures, the foreign investment in machinery and the finding of new markets.

Initially, the city tried to balance exports with imports. Seventy percent of this amount was reserved for the Purchase of materials or machinery needed to support the textile, garment, plastic, rubber, food, marine and forestry industries. A number of producers using their self-acquired capital have imported machines and production lines worth USD 40 million.

Another reason for the rise of export-import operations was the growing number of production and trading companies granted licences for direct export and import. The City has so far granted licences to 82 units compared to 60 in 1990.

While some business grew, others were not as successful. A number of related establishments have failed to catch up with the market-oriented economy. They have operated ineffectively and been unable to earn enough hard currency due to the unwise use of capital leaving them unable to pay back foreign debts. The urgent lack of capital led to the seizure of assets and unhealthy competition among the producers and businesses. Some of them used the capital to purchase export goods then brokered export services at high commission and generally dealing with foreign companies illegally. According to incomplete figures, more than half of 300 representative offices in the city have not been licenced to operate. Therefore, the city needs to establish large-scale export-import corporations to deal with their foreign counterparts.

In order to ensure the 1992 mark of USD 580 million, the city is now taking strict measures relating to capital allocation, in depth investments in technical means and supplementary regulations on export-import tax.

### **Overseas Vietnamese Contribute to Economy**

92SE0185D Hanoi VIETNAM NEWS in English  
3-5 Feb 92 p 20

[Excerpt] [passage omitted] New comers to foreign lands though, the Vietnamese are generally considered studious, intelligent and skilful [sentence as published]. A

number of Vietnamese have won respectable positions in developed capitalist countries or in international organizations. Some individuals have been holding high social or political posts. Their influence has of late been recognised by the ruling circles in these countries. Though their capital is not big, the number of their companies and shops has come up to many thousands, mostly in the U.S., France, Germany, Canada, Australia and Japan... where are also found organizations opposing the present reconstruction of Vietnam, mocking at the difficulties that the Vietnamese people are trying to get over.

On the other hand, the majority of overseas Vietnamese, rich or poor, are always turning toward the country, longing for a chance to make contributions to their motherland as well as to help their relatives. On an average, they send back yearly more than \$US 200 million. It is estimated that about 260,000 families in Ho Chi Minh City have relatives overseas. In the first 6 months of 1991 alone, a total of \$US 102 million (in money and gifts) was received in Ho Chi Minh City. The government's policy for the development of various economic sectors has made it possible for the economic cooperation between overseas Vietnamese and their relatives. A recent customs report shows that in the year 1990 and the first 8 months of 1991, 42,599 pieces of machines and equipment of every kind were shipped non-commercially to private establishments in Ho Chi Minh City by overseas Vietnamese.

More than 50 Overseas Vietnamese companies are trying to establish close and long business relations with domestic companies. In the first 6 months of 1991, the total value of import-export business made by these companies was estimated at \$US 8.6 million. Many other companies are seeking opportunities for joint ventures, and investments in Vietnam. Twenty investment projects have been accepted, but all these projects are small in terms of scale and capital.

In addition, Overseas Vietnamese serve well as intermediaries for foreign companies in their endeavours for investment in Vietnam, provide economic information, find export markets, and act as advisors for domestic companies in the fields of tourism, goods delivery, money exchange services.

For scientific and technological development, Vietnamese leaders have seen the importance of the "grey matter" of overseas Vietnamese along with the usefulness of international cooperation. This "grey matter" group makes up about 15% of the total overseas Vietnamese (20,000 in France, 200,000 in the US, 15,000 in Canada), and these figures are yearly added with quite large number of graduates from colleges and universities, many of whom trained in advanced sciences, constantly in touch with scientific and technological achievements including pioneering technologies of developed countries. They have good knowledge and skills and have even made important inventions.

A program of the transfer of knowledge through expatriate nationals (abbreviated: TOKTEN) is being implemented in



Vietnam, in cooperation of UNDP. The Vietnamese authorities are inviting overseas Vietnamese experts volunteering for this project. Seventy have accepted the invitation, among them four have started work in Vietnam.

The Vietnamese government, in recent years, has promulgated new policies towards overseas Vietnamese, such as visa regulations, airport customs procedures, investment encouragement, permission to buy immovable properties. [passage omitted]

### Results, Problems in Direct Foreign Investment

92SE0185A Hanoi VIETNAM NEWS in English  
3-5 Feb 92 p 7

[Excerpt] A peculiar trait of the present-day world is the internationalization of economic life. The information explosion together with a speedy increase of the manufacture of many modern means seemed to make the world smaller in scope and shorter in distance. As a result, exchanges of relations among countries have rapidly expanded. Developing countries can and should avail themselves of this opportunity to take part in this international cooperation and division of labour. Any nation that knows how to choose a right position in its region and make the most of its favourable conditions can have an opportunity to increase its growth speed and join the international community on an equal footing. The "four Asian dragons"—South Korea, Taiwan, Hong Kong and Singapore—and a number of other Southeast Asian countries like Malaysia, Indonesia and Thailand, have been gradually obtaining this goal within a period of two decades.

Vietnam's open-door policy has been an option in conformity with this peculiar trait of our time. In this undertaking, direct foreign investment is for us a novelty and a sphere of activity which we have little experience; but it is at the same time a sphere of activity whose importance has been confirmed in the need to seek funds for the country's strategy for socio-economic development. This policy has drawn much interest from foreign investors.

A good illustration can be seen in the following statistics:

The year 1988 marked, for the first time, the enforcement of our Law on Foreign Investment. In that year, 37 projects were granted licences with a total capital investment of US \$359.1 million. Half of this investment went to three projects for oil and gas exploration (US \$172 million). The number of projects licensed nearly doubled in 1989, 69 in all with a total capital of US \$513.6 million. The numbers rose to 108 and US \$589.2 million respectively in 1990. Investment activities developed fairly well both quantitatively and qualitatively in 1991. The number of projects increased by 40% and the total capital rose by 209% over 1990, reaching US \$1,234.3 million. The scope of the projects has also grown larger in those years. There were 60 industrial projects in 1990 with a capital investment of US \$108.3 million, i.e., an average of US \$1.8 million per project. The figures in 1991 were 88 and US \$660.8 million respectively

with an average of US \$7.3 million per project. A hotel-building project averaged US \$4.48 million in 1990 and US \$9.03 million in 1991.

Would these figures stated in licenses really provide us with funds for the renovation of our equipment, for the creation of employment and the production of more consumer goods for both domestic and export demands? Those are questions constantly posed to State managers as life only records what have been achieved, but not what have been envisaged. Luckily, except for 45 projects which have not been realized, and as a result, their licences withdrawn, the remaining 318 have either been deployed or already put into operation. Nearly US \$400 million have been channelled to thirteen oil and gas contracts with a total capital investment of US \$589.9 million. Along Vietnamese continental shelf foreign companies have been conducting seismic surveys on thousands of kilometres and making scores of drills for oil and gas exploration. There are grounds for hope in our ever more powerful oil and gas industry which can in the future produce enough for domestic use and for export. Hundreds of enterprises making goods for export have been equipped with modern machinery to produce garments, leather goods, towels, mushrooms, condensed pine-apple juice, tinned fish, etc., for export.

Take Kien Giang province for example. In 1991, the State earmarked Vietnamese *dong* 17 billion for its economic development plan. In addition to that, it received US \$7.5 million in direct foreign investment, approximately *dong* 75 billion, i.e. 4 and a half times the State capital investment for the province. Seven projects were concluded including one for producing condensed pine-apple juice for export. In March 1991, a kilo of pine-apple could sell for only *dong* 120 in the province as there were 220,000-250,000 tonnes of fresh pine-apple, a too big quantity for the local market. A modern factory was built which can now process every year between 90,000 and 100,000 tonnes of pine-apple. Three tonnes of fresh pine-apple can be made into 200kg of condensed pine-apple juice that fetch for US \$350. This has brought encouragement to the pine-apple growers as well as benefits to the province as the price of one kilo of pine-apple has been raised to *dong* 450.

Another example can be found in Hau Giang province where many joint-venture enterprises are operating satisfactorily. Many of these enterprises are processing mushrooms for export. Thanks to rational organization and good breeds 20,000 families in the province are now engaging in mushroom growing. As a result, mushroom-processing enterprises can purchase every day *dong* hundreds of millions of mushrooms to produce tinned and salted mushrooms. The expansion of mushroom growing in the coming years will facilitate the redistribution of social labour force in the rural areas of a rice-growing province.

In recent years, post and telephone communications among the provinces as well as telecommunications between our country and other countries have been improved markedly—a giant step forward in this field over the past few

decades. This achievement has been obtained thanks to the fruitful cooperation between the Vietnam Post and Telecommunications General Company and the OTC of Australia and other companies of South Korea, Germany and France.

Seventy-three hotels and commercial centres will, one after the other, be inaugurated to give a strong boost to international tourism and to serve the increasing demands of foreign investors and traders.

In spite of all this, many problems are still to be resolved. We should have a clear perception of our weaknesses and shortcomings on the path of advance, and create an investment environment attractive to foreign investors in order to reach our set goals in the present decade.

Foreign investors have highly appreciated the achievements of our policy of renovation but they have also complained a lot about the red tape in government offices that claim to have the greatest authority but seek to shirk the responsibility to solve the hindrances arising therefrom to facilitate the swift realization of the projects. They also hope that formalities concerning visas and customs will be much simpler to ease the work of legitimate investors.

Banking and financial services, important instruments of a market economy and international exchanges, have in fact undergone a too slow renovation incompatible with the requirements of business activities.

They cannot understand why Vietnam, a country badly in need of capital investment, has set rather high costs for a number of services such as posts, land and house renting, labour hiring and so on, even higher than those in some neighbouring countries. A situation in which the Vietnamese labourers can only receive a small part of their wages, whereas a larger part goes to the coffers of service companies or offices specializing in "renting out" labour is a matter of concern for foreign investors that needs to be resolved. [passage omitted]

#### Foreign Investment Projects In Vietnam Up to December 31, 1991

	Number of Projects	Investments (in million US dollars)
Total	363	2,692
Taiwan	46	602.7
Hong Kong	90	393.9
Australia	18	280.1
France	27	276.4
Britain	10	148.8
The Soviet Union	32	147.0
Holland	4	173.5
Canada	11	112.2
Japan	22	104.0
Other countries	103	453.0

Sources From SCCI

#### Tan Thuan Export Processing Zone Discussed

92SE0185C Hanoi VIETNAM NEWS in English  
3-5 Feb 92 p 11

[Text] The Tan Thuan Export Processing Zone (EPZ), 300 hectares in area, will be the site for 300 foreign-owned factories where 70,000 Vietnamese workers will be employed.

On November 25, 1991, the Council of Ministers signed a decision to set up the Tan Thuan Export Processing Zone in Tan Thuan Dong Village, Nha Be District, Ho Chi Minh City. The EPZ will be built on an area of 300 hectares. It will be the first of its kind established and operated in accordance with Vietnam's Law on Foreign Investment promulgated on December 29, 1987 and the Rules for Export Processing Zones issued on October 18, 1991.

This project has been worked out by the Joint-Venture Company for Construction and the Tan Thuan Export Industrial Zone. It will be carried out by the Tan Thuan Export Industrial Zone (Ho Chi Minh City) and two Taiwanese companies—the Panviet Corporation and the Central Trading and Development Corporation. Ninety million US dollars will be invested in the building of the Tan Thuan Industrial Zone and 50 million US dollars in the construction of a 17.5-km motorroad. In fact, it will be an investment project of the largest scale so far in Vietnam. Within two years, after the ceremony to start its construction (scheduled at the beginning of February 1992), the EPZ will employ daily 10,000 labourers in building the infrastructural installations in order to attract 300 foreign-owned factories for the production of 12 kinds of consumer goods. When the Tan Thuan EPZ is put into operation, it will employ 70,000 workers, not counting tens of thousands of people engaging in other services.

According to the decision to establish this EPZ, the members of the EPZ Management Board will be examined and appointed by the Chairman of the Council of Ministers on the proposal of the State Committee for Cooperation and Investment and the People's Committee of Ho Chi Minh City. This Management Board will be responsible for strict management of the import-export activities of the zone in order to ensure the implementation of the Rules for Export Processing Zones of Vietnam.

At present, preparations are being made for the building of its infrastructure.

#### Official Cites Increased Interest From Abroad

92SE0171A Stockholm DAGENS NYHETER  
in Swedish 11 Feb 92 Sec C p 4

[Article by Goran Leijonhufvud: "Foreign Companies Drawn to Vietnam"]

[Text] Hanoi—Visitors stream in to see Pham Gia Toan, head of the office that handles foreign investments in Vietnam. The day I interviewed him was entirely devoted to receiving foreign visitors.

The peace in Indochina has led to increased interest in Vietnam, a large market of 70 million people with cheap trained labor. The prospect that the U.S. trade embargo will be lifted has given added momentum to this development.

Vietnam introduced a liberal investment law in 1987.

### Oil and Gas

"Foreign investments have increased from year to year. In 1991 we approved as many projects as we did in the previous three years put together," said Toan, who is in charge of the investment office at the SCCI (State Committee for Cooperation and Investment).

In all over 300 investment licenses adding up to \$2.4 billion have been issued, half of them in 1991. The 13 licenses for extracting oil and gas on the continental shelf off the coast of Vietnam were a large part of this but there was also a sharp increase in industrial projects last year.

Vietnam is also holding the door open for U.S. firms in the oil development sector, even though the embargo has not been lifted.

But in order to eliminate the suspicions of many foreign companies the legislation must be strengthened. And even if this is done the western tradition of relying on the terms spelled out in a contract does not exist here.

Corruption and bureaucracy are other things foreign investors complain about. And when the economy is decentralized and privatized it is often hard to figure out the right person to talk to about a project.

"I have talked to many people who are very interested," said a West European businessman who wants to invest in the food products sector in Ho Chi Minh City.

"But then things dragged out and no one seemed to have any money."

### Taiwan in the Lead

To date Taiwan has led the investment league. Businessmen from Hong Kong, Singapore and Thailand are also very active.

Vietnam is gravitating toward the ASEAN countries, primarily Thailand, Singapore, Malaysia and Indonesia. The development model in these countries with a free economy under tight political control has become an inspiration for Hanoi. The Vietnamese leaders are scrapping socialism but retaining the Communist Party.

The former colonial power, France, mounted a broad offensive in November during the visit of Foreign Minister Dumas. Pledges of aid were given. In return the French hope to win many contracts.

American businessmen are worried they might miss the boat and are exerting pressure on President Bush to lift the embargo as soon as possible.

Sweden, which has long been a big provider of aid and enjoys high prestige, has shown limited commercial interest. But ABB [Asea-Brown-Boverie] is taking care of the electric power expansion.

### Downward Trend in Hanoi Industrial Sector

92SE0186A Hanoi VIETNAM NEWS in English  
31 Jan 92 p 1

[Text] Like its counterpart in the State-owned sector, the industrial sector in Hanoi found it hard to fulfill its production plan for 1991. Output value totalling 136 billion dong (roughly US \$13.3 million) dropped by 14 per cent as against the 1990 figure, and the value of exports, at 15 billion dong (US \$1.45 million) represented a steeper decrease of 19.2 per cent.

A sharp drop also occurred in its workforce, which was 46.7 per cent and 25 per cent lower in the co-operative and production group domains respectively. Only family-based production units showed a rise in employment of 30 per cent. Of the nine precincts and suburban districts in the capital city, only Gia Lam district obtained an output value higher than its 1990 target.

The reasons for such a downward trend in production were many and obvious. But the most serious were the loss of traditional markets in the former Soviet Union and eastern European countries as well as a dwindling share of the domestic market due to an overwhelming inflow of foreign goods. Once regarded as good hard currency earners, the traditional trades of woollen and jute carpet and lacquer making have been relegated to minor positions. This was followed by the production of bicycle parts, which at its peak involved a considerable workforce in both the State-owned and private sectors.

Given gloomy conditions throughout the sector for 1991 it was not entirely bad news in terms of new items, the production of which was rather brisk. This included wooden furniture, garments, construction materials, agricultural and forest product processing, ironware and aluminium products. As they were so profitable new trading and production centres were also taking shape, covering entire streets or villages. As in the old days when Hanoi was famous for its "streets of 36 guilds", now new street names are associated with the emergence of trades, such as an ironware street, chinaware street, garment village and interior decor streets.

The most noticeable activity was the production and marketing of construction materials, the demand for which has been immense for years now. No slower in their production and sale were electric cables and Venetian blinds made of glass and many other kinds of consumer goods.

As elsewhere in the country, electronic assembly was a new trade in Hanoi. It nevertheless became one of the good earners almost overnight. Sel, the only private electronics company in the city, did not lag behind its

sisters in the State-owned sector in terms of modernisation efforts. Last year, it imported a new TV assembly line to be able to assemble products on both an IKD (incomplete knocked down) and CKD (complete knocked down) basis.

### Article Discusses Plans in Sericulture

922E0093A Hanoi THUONG MAI in Vietnamese  
Dec 91 pp 30, 31, 32

[Article by N.K.S.: "Natural Silk, a Commodity of High Economic Value"]

[Excerpt] [passage omitted] Vietnam's Sericulture Program for Up to the Year 2000

Sericulture has long been a traditional trade of our people. However, several years ago, sericulture production constantly declined, reducing mulberry area to only 4,700 hectares and silk output to approximately 70 tonnes per year by 1985.

Owing to the renovation line of the Sixth National Party Congress, the mulberry area expanded to 13,000 hectares in 1989 and 18,000 hectares in 1990, bringing silk yarn production up to 420 tonnes and increasing its export value to 8.3 million rubles and U.S. dollars, up by 55.8 percent over 1989. In the first six months of 1991, silk yarn output already amounted to 250 tonnes, and the total 1991 volume of production is estimated at 600 tonnes. Realities over the past years have shown that sericulture is an efficient economic sector that has provided jobs for a fairly large number of workers. It also is an economic sector capable of vigorous development in the coming years.

Our country's targets for sericulture development up to the year 2000 are to strive for a mulberry area of 70,000-100,000 hectares of mulberries, chiefly in the midland and highland regions; to achieve a silk yarn output of 7,000-8,000 tonnes; and to turn out natural silk products to quickly increase the value of exports and provide employment for about 400,000-500,000 workers (from Council of Ministers Directive No. 212 CT dated 12 July 1991).

The bases for sericulture development until the year 2000 are:

**The market:** At present, we trade with nearly 40 companies in India, Thailand, Singapore, Japan, Hong Kong, Italy, France, the Soviet Union, South Korea, and Bulgaria. Many other countries also want to have business relations with the Vietnamese sericulture industry. Japan has established joint ventures and provided investment capital in the forms of fertilizer, modern silk yarn and silk cloth making equipment, transfers of technology, and guaranteed long-term purchase of products in large quantities. Five Singapore and one Thai company asked to open supermarkets and set up joint ventures to trade in silk products. The World Bank has

sent experts to Vietnam to conduct surveys and formulate projects to help us obtain long-term loans for the expansion of sericulture production.

Vietnam is the 23d member of the World Silk Association and president of ESCAP [Economic and Social Commission for Asia and the Pacific] for the 1990-1993 term.

**Weather and soil:** Sericulture production can be developed in most regions of our country. Of our 7 million hectares of agricultural land, 100,000 hectares—chiefly in Lam Dong the coastal provinces of Central Vietnam, and the Red River delta—could be set aside for sericulture.

**Labor:** At present, the entire country boasts an agricultural work force of approximately 20 million laborers in the Red River delta and the coastal regions in Central Vietnam, 40 percent of whom are underemployed but highly experienced in sericulture. An abundant work force and cheap labor cost are an advantage for Vietnam to develop a sericulture industry capable of competing in the international market.

**Economic efficiency:** Documents on the economic efficiency of industrial plants released by the Institute of Long-Term Plans and Productive Force Distribution have shown that:

**The profit** (the value of output minus production cost) derived from sericulture amounts to \$1,081.6 **hectare** year in the Lam Dong Region and \$244 **hectare** year in the Red River delta, while rubber planting yields \$360 **hectare** year; coffee planting, \$152 **hectare** year; and tea planting, \$312 **hectare** year (based on 1990 prices).

A comparison of these figures shows that sericulture yields better economic results than the planting of rubber, tea, and coffee. These are just the results obtained from the production of silk yarn and discarded materials. If silk yarn is turned into silk cloth for use in garment production, the export value of such garments will increase two- or three-fold over the export value of silk yarn (if we export 7,000 tonnes of silk yarn, we will collect \$300 million; but if that amount of yarn is processed into finished products for export, we will make \$600 million).

The sericulture program is a national program capable of producing high economic efficiency and helping to resolve many social problems. For this reason, it should be widely implemented so its targets will be achieved by the year 2000.

### Hanoi's Nissho Iwai General Manager Interviewed

922E0087A Hanoi NHAN DAN in Vietnamese  
4 Jan 92 p 2

[Interview with Ichiro Matsuda, general manager of Japanese Nissho Iwai Company in Hanoi, by Duy Thinh and Le Nghiem: "Nissho Iwai Representative in Hanoi:

Vietnam's Renovation Line Creates Many Business Opportunities for Foreign Companies;" date not given; first paragraph is editorial introduction]

[Text] On the occasion of the new year, we met and interviewed Mr. Ichiro Matsuda, general manager of Nissho Iwai Company (Japan) in Hanoi, on the company's business operations in Vietnam. Nissho Iwai is a large general business conglomerate in Japan with branches in 150 countries around the world. It has maintained uninterrupted trade relations with our country since 1954 and was the first foreign company to open an office in Hanoi. Nissho Iwai currently accounts for 30 percent of the total value of two-way trade between Japan and Vietnam (estimated at \$1 billion in 1991). Following is the content of the interview:

[NHAN DAN] Would you please tell us about some features of your company's business activities within the framework of its relations with Vietnam?

[Matsuda] Nissho Iwai's relations with Vietnam have some particular special characteristics that set it apart from many other companies. These relations began in 1954 and have been continually maintained to this day. Even during the U.S. bombing of North Vietnam and also in the later stage, when Western countries pursued a policy of economic embargo against Vietnam, our relations were not interrupted. In spite of much protest, we have persisted in our business relations with Vietnam. Our stance and ways of doing business have been acknowledged and highly appreciated by the Vietnamese side. We realize the important role of the Vietnamese market in the development of the Asia-Pacific region in the coming decades. We have looked a little bit too far ahead, but luckily that view has been correct. Thanks to this, we have been able to seize the opportunity and establish a firm foothold here. At present, the regional situation is in the process of stabilizing and Vietnam's relations with other countries in the region, Japan included, are proceeding in a very fine direction, as we expected. All that we have done so far will contribute substantially to the development of economic and trade relations between Japan and Vietnam.

[NHAN DAN] What are the main areas of your company's operations?

[Matsuda] As a general trading company, for a long time now we have bought crude oil, rice, and various agricultural food products from Vietnam, purchasing from pickled cucumbers to tens of thousands of tonnes of rice. Generally speaking, our motto is to buy in order to sell, not mainly to sell. This is because we know that Vietnam will have money to buy our goods only if we buy goods from Vietnam in large quantities. The more we buy, the more we will be able to sell.

Recently, we broadened our cooperation with Vietnam—both in the north and in the south—in the area of garments production. We must say that there is considerable potential for cooperation in this sector. This will

contribute to generating large amounts of foreign currency and creating many jobs, thereby bringing into full play Vietnam's strengths.

We sell strategic commodities to Vietnam such as fertilizer, iron, steel, pesticide, machinery, equipment, and other means and raw materials. These items do not necessarily have to come from Japan. Whenever Vietnam wants to buy goods, we mobilize our branch network in 150 countries and notify various branches of Vietnam's need. Any branch that can meet that need at the lowest price will respond, and we will handle the transaction directly, without having to process through our headquarters in Japan. For example, recently, we bought steel from China and fertilizers from Indonesia and Hungary and resold them to Vietnam, and bought rice from Vietnam for resale to South Africa, the Middle East, and Mexico. Our operating methods are flexible. In 1990, our company accounted for 30 percent of the total value of two-way trade between Vietnam and Japan, and the remaining 70 percent was contributed by some dozens of other companies. In 1991, our share might also amount to 30 percent. In the future, we will strive to maintain our business at this level.

[NHAN DAN] What difficulties and advantages has your company experienced during your long period of doing business in Vietnam?

[Matsuda] Since the renovation policy and the Law on Foreign Investment came into being, we have had many more favorable business opportunities. Vietnamese public organs and corporations now have the right to do more on their own initiative, to conduct direct negotiations with foreign businessmen, and to make decisions, therefore, it is easier to do business with them now. However, in the past, as the state subsidized everything, once a contract was signed, we could proceed with confidence because the state assumed responsibility. But now, we must find parties capable of honoring their contracts. For this reason, for us, state subsidies had both their pluses and their minuses. But on the whole, it is much better and more convenient to do business now than in the times of state subsidies. The work style of Vietnamese state agencies has changed considerably. Formalities and the paperwork have been simplified and can now be done more expeditiously.

[NHAN DAN] How do you evaluate the investment environment in Vietnam?

[Matsuda] The Vietnamese law on investment has created many new business opportunities but it still contains many ambiguities. Some people contend that the more ambiguous the law is, the better it will become because one can take advantage of that ambiguousness. But Japanese business practice requires clarity. Never mind the question of advantage or disadvantage, the law must be clear, the clearer it is, the easier for us to do business. For this reason, Japanese often ask very particular questions about everything. But, once they set

about doing something, you can be sure of their commitment. Japanese are slow starters, but once they get started, they proceed very quickly. The second problem is that there still are too many agencies in charge. A single investment project requires contact with many ministries. Sometimes an agreement reached with one ministry meets with disapproval from another ministry, and the opinions of all ministries involved must be obtained before an agreement can be signed. Moreover, I see that economic information remains scarce and slow-moving. Vietnamese businessmen still know little about Japan and about Japanese law and business practice. There were things I thought they already knew, but it turned out they didn't. In business, mutual understanding is very important.

[NHAN DAN] What are the future business plans of your company?

[Matsuda] At present, we are preparing for a new period of development in economic and trade relations between Japan and Vietnam. We are drawing up very extensive projects for improving the infrastructure, including the highway, railway, airport, and seaport systems; projects for improving steel mills and fertilizer plants; projects for oil and natural gas prospecting and exploitation; and projects for building oil refineries, petrochemical plants, and chemical industry. In addition, there also are ship-building and automobiles and electronic products assembling projects.

[NHAN DAN] What do you think of Vietnam's economic prospects?

[Matsuda] In my opinion, at present Vietnam's relations with other countries in the region are much better than they were in the past. Sino-Vietnamese ties have been normalized, and Vietnam's relations with the ASEAN countries have been improved, and its relations with Western countries will also be expanded. With newly created favorable conditions, the Vietnamese economic policy will yield even better results. I am convinced that Vietnam will develop expeditiously.

[NHAN DAN] Our sincere thanks, Mr. Matsuda.

## BIOGRAPHIC

### Information on Personalities

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

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Director of the Public Communications Service; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Director of the Culture and Information Service; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress (HANOI MOI 1 Dec 91 p 1)

**Do Thanh Con [DOOX THANH COON]**

CPV secretary of Tu Liem District, Hanoi; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Nguyen Manh Con [NGUYEENX MANHJ COON]**

Deputy head of the Hanoi CPV Economic Committee; \*member of the Hanoi 11th CPV Inspection Committee and the Executive Committee; on 21 November he was elected to the latter two positions at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Luong Ngoc Cu [LUWOWNG NGOCJ CUWF]**

CPV secretary of Gia Lam District, Hanoi; \*member of the 11th Hanoi CPV Standing Committee and the Executive Committee; on 21 November he was elected to the latter positions at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Nguyen Manh Cuong [NGUYEENX MANHJ CUWOWNGF]**

Secretary of the Ho Chi Minh Communist Youth Union in Hanoi; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Pham The Duyet [PHAMJ THEES ZUYEETJ]**

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**Phan Tang Da [PHAN TAWNG DA]**

CPV secretary of the Polytechnic College; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Nguyen Thi Tam Dan [NGUYEENX THIJ TAAM DAN]**

Vice chairman of the Hanoi People's Committee; \*member of the 11th Hanoi CPV Standing Committee and the Executive Committee; on 21 November she was elected to the latter two positions at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Nguyen Ngoc Dinh [NGUYEENX NGOCJ DINHX]**

Chairman of the Hanoi CPV Organization Committee; \*member of the 11th Hanoi CPV Standing Committee and the Executive Committee; on 21 November he was elected to the latter two positions at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Principal inspector of Hanoi Municipality; \*member of the 11th Hanoi CPV Standing Committee; \*chairman of the 11th Hanoi CPV Inspection Committee and member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to the latter three positions at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Director of the 8-3 Textile Mill; \*member of the 11th Hanoi CPV Executive Committee; on 21 November she was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Vice chairman of the Hanoi People's Committee; \*member of the 11th Hanoi CPV Standing Committee and the Executive Committee; on 21 November he was elected to the latter two positions at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Le At Hoi [LEE AATS HOWIJ]**

Chairman of the Hanoi People's Committee; \*member of the 11th Hanoi CPV Standing Committee and the Executive Committee; on 21 November he was elected to the latter two positions at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Acting chairman of the Hanoi Economic Committee; \*deputy chairman of the 11th Hanoi CPV Inspection Committee; \*member of the 11th Hanoi CPV Executive Committee; on 21 November she was elected to the

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Vice chairman of the Hanoi People's Council; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Chairman of the Hanoi Municipal Science Committee; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Nguyen Duc Khien [NGUYEENX DUWCS KHIEENR]**

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**Nguyen Manh Khue [NGUYEENX MANHJ KHUEE]**

Chairman of the Hanoi CPV Economic Committee; \*member of the 11th Hanoi CPV Standing Committee and the Executive Committee; on 21 November he was elected to the latter two positions at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

**Cong Manh Kien [COONG MANHJ KIEEN]**

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**Vu Duc Khien [VUX DUWCS KHIEENR]**

Director of the Hanoi People's Organ of Control; \*member of the 11th Hanoi CPV Executive Committee;

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**Nguyen Ngoc Le [NGUYEENX NGOCJ LEE]**

Vice chairman of the people's Committee, Hanoi Municipality; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he/she was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Secretary of the CPV Committee, Dong Anh District, Hanoi; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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**Dang Duy Phuc [DAWNG ZUY PHUCS]**

Director of the Industry Service; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Chairman of the Hanoi Municipal Labor Union; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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Editor in chief of HANOI MOI newspaper; \*member of the 11th Hanoi CPV Executive Committee; on 21 November he was elected to this position at the Hanoi CPV Congress. (HANOI MOI 1 Dec 91 p 1)

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