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## Southeast Asia Report

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### SPECIAL NOTICE

Effective 1 June 1987 JPRS reports will have a new cover design and color, and some reports will have a different title and format. Some of the color changes may be implemented earlier if existing supplies of stock are depleted.

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The changes that are of interest to readers of this report are as follows:

The SOUTHEAST ASIA REPORT (SEA) will be titled EAST ASIA/SOUTHEAST ASIA (SEA).

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22 MAY 1987

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MEAT EXPORTERS FEAR U.S. CONGRESS AMENDMENT ON LAMB

North Richmond THE LAND in English 9 Apr 87 p 3

[Article by Louise Mills]

[Text]

AUSTRALIA's rapidly expanding lamb export market to the United States could be placed in jeopardy by moves in Congress to limit lamb imports.

Exports last year were worth between \$13-\$14 million and the Australian Meat and Livestock Corporation and exporters alike had been pinning high hopes on the US as a major growth market for lamb.

But lamb producers in the US fear that further imports will erode their own extremely high price levels, and have brought pressure to bear on local Congressmen to have imports curbed.

Any major setback to US lamb sales is likely to have an immediate effect on lamb prices in Australia — especially for the heavier type of lamb preferred by the US market.

One amendment brought before the US House of Representatives' Agriculture Committee by Republican Robert Smith from the lamb-producing State of Oregon aims to

change the 1979 Meat Import Law to include lamb.

At present the import law which sets quotas on meat imports covers only beef, veal, mutton, goat and buffalo but under the proposals the law would be widened to control also the import of lamb.

To counter these moves the AMLC's chairman Dick Austen and managing director Peter Frawley have flown to the US to hold discussions with the main producer groups and Congress leaders.

In a statement from Washington this week Mr Austen said talks held so far had shown little progress.

But he said it was possible the US Administration would agree to convene a meeting of the American lamb industry and foreign suppliers in an attempt to achieve some common ground on the issue.

He said he was surprised at the speed and determination of US industry leaders' efforts to achieve legislation limiting lamb imports.

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CSO: 4200/546



JAPAN SET TO BUY MORE BEEF

North Richmond THE LAND in English 9 Apr 87 p 5

[Article by Stephen Oxley and Louise Mills]

[Excerpt]

~~CONCERN~~ that the worsening trade battle between Japan and the United States could engulf Australia has been mitigated by news that Japan is looking to buy more beef.

Increased consumer demand has forced the Japanese Ministry of Agriculture to speed up the issuing of import beef tenders — a move which could lead to an increase in Australian beef sales to Japan.

The news comes at a time when the Australian feedlot industry is gearing up to supply increased quantities of steers for the Japanese export trade.

Prices for bullocks firmed at most eastern Australian centres this week, with best lines making around 102-110 c/kg liveweight.

Japan's decision to import more beef comes in response to a shortage of domestic beef, which has pushed the price of beef in Japan above the Government-set limits.

Australian Meat and Livestock Corporation manager export market group — Asia, Middle East and Livestock, Ralph Hood, said to lower the price, Japan was increasing the frequency of its import beef tenders to make more beef available.

For the first time the Government had called for beef tenders before April 1.

Mr Hood said although there would be no immediate increase in Australian exports to Japan the fact that consumer demand had increased faster than the Government had expected augured well for Australian negotiations later this year to increase market access.

"We can now argue that increased exports will not harm local producers by lowering the price for beef because demand is so strong," he said.

Negotiations with the Japanese Government on beef imports for 1988-1991 will be held later this year.

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CSO: 4200/546

NSW DEMOCRAT TO LIBYA FORUM, PROTESTS TO AL'QADHDHAFI

Sydney THE AUSTRALIAN in English 13 Apr 87 p 3

[Article by Marc McEvoy: "Democrat in Pacific Protest to Gaddafi"]

[Text]

AN Australian Democrat who holds the number one position on the party's ticket for the NSW Legislative Council flew to Tripoli yesterday for talks with the Libyan leader, Colonel Gaddafi, to protest against Libya's growing presence in the Pacific.

Mr Richard Jones has joined five other Australians in a 300-member Pacific region delegation attending a conference in Tripoli next week sponsored by the Libyan-based World Centre Against Zionism, Racism and Imperialism, which names Colonel Gaddafi as its chief patron.

The conference, from April 18-20, has been set up as a forum for discussion among Pacific nations on their opposition to imperialism, economic neo-colonialism and nuclear testing.

Speaking at Sydney Airport yesterday, Mr Jones said he had used contacts in Australia to arrange private talks with Colonel Gaddafi on Thursday or Friday, and would question him on Libya's intentions in the Pacific area.

Mr Jones, the owner and publisher of the nature magazine, *Simply Living*, said he realised Libya was an extremely important country for trade. Australian live sheep exports there are worth more than \$30 million a year.

"But I am going to ask him what his intentions are in the Pacific, and tell him we don't want any military or subver-

sive activity taking place in the region, and for change to take place by normal democratic means," he said.

Besides being a keen environmentalist and anti-nuclear campaigner, Mr Jones is the founder and executive director of Fund for Animals, one of Australia's most widely supported and strongest animal liberation groups. He is also a co-founder of Greenpeace Australia.

A spokesman for the Minister for Foreign Affairs, Mr Hayden, said yesterday that the Government could not object to Mr Jones's right to speak to Colonel Gaddafi and attend the conference.

The Leader of the Australian Democrats, Senator Haines, argued Mr Jones's trip to Tripoli was worthwhile, even though the conference might be a public relations exercise for the Libyans.

Mr Jones said he believed his contribution to the event would balance the more extreme views of left-wingers.

"I want to present a balanced view at the conference. If it just going to be a diatribe against the Americans I will oppose that," Mr Jones said.

"The French are going to cop it, I know that. But I am may be the sole voice opposing the Russian influence."

However, the Federal Opposition's acting spokesman on foreign affairs, Mr Neil Brown, said Mr Jones would not achieve anything by his visit.

FURTHER ON COLLAPSE OF OPPOSITION COALITION

BK290601 Hong Kong AFP in English 0551 GMT 29 Apr 87

[Report by David Davies]

[Text] Canberra, 29 Apr (AFP)--A 40-year-old alliance of Australian conservatives has fallen apart as the opposition Liberal and National parties formally ended their long-standing coalition.

Liberal leader John Howard and National leader Ian Sinclair agreed to go their separate ways after a day of crisis talks Tuesday which failed to resolve the growing difficulties between the two opposition parties in the federal parliament.

The split gave a boost to the campaign of Queensland State Premier Sir Johannes Bjelke-Petersen to enter federal politics in Canberra at the head of a "new look" National Party with a hard-line right-wing stance.

The 76-year-old Queensland premier welcomed the break-up of the coalition saying: "Now we are strong and we are free and we can go with our own policies, the policies that are best for Australia."

Since launching his "Joh for Prime Minister" campaign in February, the Queensland premier has repeatedly declared that "the coalition is finished" and urged the National Party to go it alone without the Liberals.

The "Joh for PM" drive lost some impetus recently when by-elections at state level seemed to indicate a lack of grassroots support for the Queensland premier and the slogan was quietly dropped in favor of "Joh for Canberra."

The crisis in the federal opposition was precipitated by the National Party organization in Queensland which ordered its 12 federal members of parliament to withdraw from the coalition.

The break was a serious setback for Mr Sinclair, who had fought doggedly to retain a partnership with the Liberals for the remaining 14 national MP's from New South Wales and Victoria.

Both Mr Howard and Mr Sinclair blamed the split on the Queenslanders.

Mr Sinclair's failure to hold the coalition together cast doubt on his future as leader of the National Party at the federal level in Canberra, analysts said.

Asked by newsmen if he was leader of the Nationals in Australia following the coalition split, Sir Joh Bjelke-Petersen said: "I don't want to talk that way, but all my policies have created the situation I wanted.

"I'm not interested in Mr Sinclair's future, but I'll be the one presenting the policies," he added.

Sir Joh Bjelke-Petersen said that he would stand down as state premier to concentrate on the federal campaign once an election was called.

The federal election is expected late this year or early next year following a decision by Prime Minister Bob Hawke not to hold an early poll which might have benefited his Australian Labor Party (ALP) because of the opposition's disarray.

The election was shaping up as a three-cornered fight between the ruling ALP, the Liberals and Nationals after the coalition split.

Liberal Party sources said that Mr Howard was planning a major tour of country areas to challenge the National Party in its traditional rural stronghold.

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CSO: 4200/544

NEW DEFENSE CHIEF ON WHITE PAPER, OTHER PRIORITIES

Sydney THE AUSTRALIAN in English 13 Apr 87 p 11

[Interview with General Peter Gration, new chief of Defense force (CDF), by Peter Young: "The Thinking Man's General Takes Over"]

[Text]

PETER Gration has long been tipped for the top military post in Australia.

He is certainly one of the most experienced and best qualified men ever to hold the position.

He graduated from Duntroon in 1952 in the Corps of Engineers. In addition to holding degrees in engineering, arts and economics, he is a graduate of the British Staff College, the Joint Services Staff College and the United States Army War College.

He served in Malaya and commanded the Civil Affairs Unit in Vietnam and as a junior officer commanded a construction squadron in Papua New Guinea. He also served a two-year civilian attachment to the Snowy Mountains Authority.

During his career he has held a variety of senior staff postings culminating in his appointment as Chief of the General Staff — the top job in the Army — on April 13, 1984.

At precisely 8.40am today, at the age of 55, he will walk into the Defence Department as the man responsible not only for overall control of the three individual services but the very security of Australia for the next three to four years.

It is characteristic of the man that his first words will be to praise the work done by his predecessor, General Sir Phillip Bennett.

He is lucky, he says, to have inherited the smoothly working tri-service organisation set in place by Bennett.

He also believes himself fortunate to have come into office at a time when the Government's White Paper on Defence has laid out such clear and commonsense guidelines for Australia's future defence. Much, if not most, of the credit for this he says belongs to General Bennett.

"The first task will be to consolidate the major changes and very real gains that have taken place in the defence forces over the past few years, but there are four immediate priorities.

"First is to implement the White Paper, the second is for equitable conditions of service of the men and women who make up the armed forces, the third is greater co-ordination of inter-service needs and tri-service joint operations, whilst the last is to improve relations between the civilian and military branches of defences."

He sees the White Paper as a valuable blueprint for the way ahead and it has his unqualified support.

He rejected claims that the Services were incapable of defending Australia.

"Present force and equipment levels are sufficient to allow the ADF to meet credible lower-level contingencies whilst preparing a basis for future expansion."

However, he admitted that there are still major deficiencies in Australia's defence line-up, including a lack of tactical and strategic air mobility and lack of light armoured mobility for the Army.

There were also problems in first line and reserve warstocks — though the Army could now sustain the Operational Deployment Force for up to six months.

"But despite these and other deficiencies, I am confident that as the re-equipment programs spelled out by the Minister (for Defence, Mr Beazley) come to fruition over the next 10 to 15 years, the defence force will be able to fully meet the objectives allotted to it in the White Paper."

He also foresaw rapid improvement in the new system of command and control, with commanders of joint force functional commands reporting to himself as head of the new HQADDF, discounting reports that this would lead to a

lesser role for the individual service chiefs.

They would, he said, still command their individual services and would play a major operational role as advisers in the Chiefs of Staff Committee.

He acknowledged that two of the biggest problems are morale and the continued loss of skilled manpower from the forces.

"In general, morale is still high at the sharp end in the operational units but there are problems in other areas such as support and HQ staffs. The answer lies in affording the servicemen and women a sense of professional achievement and job satisfaction."

The White Paper offers the opportunities, he said, and this was where he would start.

The high resignation rates are another problem.

"Some have simply come to the end of a good career but many others have left because they and their families felt they were not keeping pace with their civilian counterparts."

"Much had already been done in targeting the problems in the Hamilton Report and in the setting up of the new Defence Force Remuneration Tribunal and I'm optimistic about the outcome of the present case for an increase in service allowances."

But he accepted that the forces had been slow in coming to terms with the changing social expectations of service families.

"There is now, however, an acceptance of the fact that a contented defence force means contented families."

He intends to go to bat for the Diggers — promising that

he would continue to fight for the improvements in pay, housing and conditions of service and family care needed to attract and retain the right calibre of people.

"It is here too that leadership has a part to play. There is a need for strong, positive leadership — especially at the level of junior officers and NCOs, but the example has to come from the top — from myself and other senior commanders."

He said his style of leadership was based on the old-fashioned idea of example and a two-way loyalty — both up and down.

He believes in listening to every point of view and taking the widest of advice before making up his mind.

He also believes in leading from the front; he intends to get out and about and motivate what he termed as one of the finest and most professional forces we have ever had.

He is pleased with developments in the Reserve — in particular the Army Reserve.

He said there have been problems in the past but he is confident that the new plans under way to streamline their administration and provide greater resources would pay high dividends.

He also felt that major developments had taken place in the planning process and carriage of equipment decisions.

"A more co-ordinated effort within the Services themselves and the department as a whole," he said, "would put a stop to the problems of the past."

"There should be no doubt that I am the commander of the Australian Defence For-

ces," he said, adding that the present balance of shared responsibilities between himself and the Secretary of the Department is about right.

"There is however a need for closer levels of co-operation between the military and Defence civilians. It is counterproductive to have the two groups pulling in different directions."

"Money, of course, remains a problem. I am prepared to press the case for the Services as hard as I can but in the final analysis, the Services are dependent on what the Government gave them. I am confident, however, the ADF can achieve its aims if defence expenditure is maintained at the 3 per cent of GDP recommended in the White Paper."

He said that the Australian taxpayer was getting one of the best bargains it had ever had in the calibre and professionalism of its armed forces.

The need, he said, was for greater levels of public support and an appreciation of their worth — with perhaps an occasional word of thanks.

As for himself, he was confident that he was equal to the task.

When pressed, he saw his style as more of a Monash than a Blamey.

It is an assessment supported by many within the staff, who see him as a politically astute and intellectual soldier — in effect a thinking man's general.

As far as the rank and file is concerned there is widespread jubilation that, clever though he might be, we have an old-fashioned general at the helm. One who will stand up for the Diggers and give the sort of forthright advice and leadership the job demands.

# NUMBERS DECLINING IN ANNUAL NUCLEAR DISARMAMENT MARCH

Sydney THE AUSTRALIAN in English 13 Apr 87 p 3

[Article by Rosalind Reines]

[Text]

**THE numbers may have been dwindling every year but Australia's annual Palm Sunday nuclear disarmament march still fires the emotions.**

In Melbourne, drums marked "radioactive waste" surrounded the Victoria Police complex in St Kilda Road as anti-nuclear protesters gathered for a rally with the theme "Break Australia's link in the nuclear war chain".

Organisers were disappointed that only about 20,000 attended the annual march and rally to hear speeches from campaigners calling for bans on nuclear warship visits, an end to uranium mining and a diversion of military spending.

Australian Democrats Senator Janet Powell and the former Democrats leader, Mr Don Chipp, were among the politicians who took part in the march.

In Sydney, up to 110,000 people — down from last year's turnout of 150,000 — from organisations as diverse as Lawyers Against Nuclear War to the Christian Surfers, took to the streets in perfect au-

tumn sunshine and called for the dismantling of US nuclear bases in Australia.

Many saw it as a chance to air some of their other grievances including the controversial changes to workers compensation benefits and the growing threat to the community from AIDS.

One group of homosexuals marched behind a nuclear warhead encased in a condom. Their placard read: "It won't stop the bomb but it will stop AIDS."

And for the first time in its six-year history, the march was not led by politicians but by a percussion band, stilt walkers and people in elaborate costumes.

The Hare Krishna Movement saw an immediate benefit of this when members collected 8000 signatures for a petition aimed at freeing "Soviet prisoners of conscience including Hare Krishna devotees, imprisoned for their beliefs".

Later at the Domain the anti-nuclear marchers were addressed by just one person, Jane Singleton, host of the ABC's 7.30 Report.

Singleton said that if Australians did not protest against nuclear war they would be giving "tacit support" to the arms race.

In Canberra, about 3000 people marched across the city's Commonwealth Avenue Bridge to a concert and rally on the lawns outside Parliament House.

In Adelaide, about 10,000 people, including the Premier, Mr Bannon, marched for peace and later attended a rally addressed by Independent Senator Jo Vallentine.

While the theme of the march was to protest against the presence of US bases in Australia, Mr Bannon said this did not deter him from participating in the Palm Sunday march as he had done every year since it began.

In Perth, about 8000 people took to the streets — about half the number believed to have attended last year, largely because it clashed with a football match between the Sydney Swans and the West Coast Eagles.

In Brisbane, about 2000 anti-nuclear protesters marched.

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CSO: 4200/546

WEEKLY ANALYZES SLIDE IN WHEAT INDUSTRY

North Richmond THE LAND in English 9 Apr 87 p 4

[Article in the "Money Farming" column by Business and Finance Editor Don Jones: "Why Did Wheat Slide?"]

[Text]

HOW can the Australian wheat industry, so supreme in the late 1970s, have suffered such an inglorious slide?

Ten years ago wheat was our most profitable industry. Farmers, filled with unbridled optimism, were selling sheep and putting broadacres to the plough.

We now know that what went wrong was too much debt — and just how 'much' became 'too much' and why, the Bureau of Agricultural Economics has documented in its 1987 Farm Surveys Report released this week.

The report shows that of 3740 (or 17pc) of Australia's 22,000 specialist graingrowers, are in extreme financial difficulties.

The burden is heaviest in NSW where 2868 (or 53pc) of the 5412 specialist graingrowers in real trouble followed by WA with 550 and Victoria with 297 in real trouble.

(For statistical purposes the BAE requires a bonafide graingrower to generate more than \$10,000 a

year in wheat or other grain crops. In extreme financial trouble or at risk means having less than 70pc equity in the property and a negative income.)

Graingrowers' problems stem from late 1970s when strong wheat prices encouraged wheat-sheep zone land prices to jump from an \$111/ha in 1978 to a peak of \$373/ha in 1985.

In the past two years wheat-sheep zone land prices eased back to \$328/ha in 1986 and \$297/ha in 1987.

In the pastoral zone land averaged \$2.70/ha in 1978, rose to \$10.20/ha in 1985 and has continued to rise hitting \$11.50/ha this year.

In the high rainfall areas land that was \$288/ha in 1978 rose to \$710/ha in 1985 and reached \$721/ha this year.

The jump in wheat prices of the late 1970s allowed many grain farmers to pay off debts but many also bought more land at higher prices. They ended up with much larger borrowings.

Not that all farmers are in debt. About 30pc were almost debt-free in 1977 and about the same percentage are debt-free now.

But the 25pc with the most debt in 1977-78 owed more than \$47,000 compared to more than \$185,000 in 1986-87.

Sheep and cattle producers increased their borrowings over the same time span, but the increase is nowhere near as large as for specialist grain farmers.

In the late 1970s increasing debt was of little concern. The real farm cash operating surplus for graingrowers (worked but in depreciated 1986-87 dollars) was \$66,000 in 1978-79 rising steadily to \$85,000 in 1981-82.

It crashed to average \$38,000 in the drought year of 1982-83 recovered to \$74,000 in 1983-84 before taking a downhill ride to hit \$26,000 in 1985-86 and \$26,900 in 1986-87.

The BAE survey shows how rising interest charges are taking a greater share of farm income.



In 1977-78 interest formed nine per cent of total cash costs for grain growers. This fell to eight per cent for the next few years and jumped to 10 to 12pc from 1981 to 1984.

In 1985-86 interest was a massive 18pc of total cash costs for grain growers. It was 14pc for wheat sheep producers and 15pc for sheep producers.

Grainfarmers who expanded in the late 1970s found their loans underpinned by rapidly rising land values so their equity remained high.

Many invested further in large farm machinery, increasing their debt load but the outlook looked assured with wheat returns remaining firm.

The droughts of the early 1980s changed this. About 66pc of wheatgrowers made losses in 1982-83. So too did 54pc of wheat-sheep producers and 61pc of sheep-cattle producers.

In 1983-84 land prices began to fall followed by the downturn in grain prices and escalating interest rates.

Many of the 25pc with largest debts could not meet interest payments let alone principal repayments. As overdue interest was added to loan principals, their equity began to fall.

For more information the 1987 Farm Surveys Report released this week is available from the BAE or the Australian Government Publishing Service Book Shop in each State Capital, for cost \$8.95.

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CSO: 4200/546

## AUSTRALIA

### BOARD WARNS GRAINGROWERS AGAINST CUTBACKS

North Richmond THE LAND in English 9 Apr 87 p 5

[Article by Brian Clancy]

[Text]

GRAINGROWERS could do "irreparable damage" to Australia's world wheat market share if they reduce plantings this season to the extent tipped by many observers.

The warning comes from Australian Wheat Board chairman, Clinton Condon, who said this week he had heard of intended cutbacks in wheat acreage varying from 10 to 30 per cent.

A cutback of 30pc, he said, would lead to buyers losing faith in Australia as a long-term, reliable supplier, and see them take their hard-won business elsewhere.

He said the same buyers might have tolerated a production downturn caused by drought, but they would not accept a deliberate cutback in supplies.

Addressing the Grains Council conference in Melbourne, Mr Condon said the board had increased market share last season, a share which could not afford to be lost.

Mr Condon said growers considering planting alternative grains should leave their decision as close to planting as possible.

In his latest letter to growers, Mr Condon has estimated a 1987-88 guaranteed minimum price of \$125 a tonne.

He said he was estimating the GMP at an early stage to give growers some guidance as planting time approached.

Mr Condon was confident that the market had bottomed, and this itself had given market confidence.

He referred to the market low when the United States had sold to the Chinese for \$US69 a tonne (\$A100).

And in a criticism of the United States policies and directed at agricultural attache, Jim Parker, who was attending the Grains Council conference, Mr Condon said the Chinese subsidised sale was equivalent to \$US1.89 a bushel, but the US wheat-grower would be paid \$4.38 a bushel.

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CSO: 4200/546

GOVERNMENT BODY CALLS FOR OIL DEREGULATION

Sydney THE AUSTRALIAN in English 13 Apr 87 p 3

[Article by Mike Taylor]

[Text]

THE Commonwealth's influential Business Regulation Review Unit (BRRU) has recommended a far-reaching deregulation of the Australian crude oil allocation system to the Federal Government.

The BRRU has claimed such a deregulation would bring savings of more than \$90 million and additional employment of about 2800.

In its report, Indigenous Crude Oil Marketing Arrangements, the BRRU describes the oil market as inefficient and responsible for imposing a considerable and unproductive paper burden on the oil industry.

Its findings substantiate long-running complaints of oil industry executives and leave the Federal Government with little choice but to initiate change.

The BRRU study has been made at a time when the Government has called for submissions on whether to free up the Australian oil market by breaking down many of the regulations imposed over the past decade.

The study favours such a freeing up.

"It is incumbent upon those proposing any form of regulation to demonstrate that the solution proposed is more efficient than the market-based

solution," the study says.

"This is especially so where economic regulation is concerned since, as a generalisation, the case for that form of regulation is a good deal weaker than for social regulations."

The report says forecasting the outcome of deregulation can be hazardous, but on the information before it the BRRU has come to the conclusion that the inflexibilities and subsidies within the system "give scant benefit for the various costs they entail".

Discussing the crude oil allocation system in detail, the BRRU says the cost of the regulations to the regulators themselves appears to be small.

It says the Federal Department of Resources and Energy (DRE) has claimed the cost of the regulations is almost inconsequential.

But it criticises the cost of the crude oil allocation system in terms of paperwork.

"Paper burden costs to producers and refiners are reported to be much greater."

The BRRU estimates transaction costs under the allocation system and paper burden costs, taken together, amount to between \$2 million and \$3 million a year.

AUSTRALIA

CANBERRA EYES POLICY SHIFT ON MINERAL RESOURCES

Sydney THE AUSTRALIAN in English 13 Apr 87 p 3

[Text]

**THE Federal Government is considering a policy shift away from the export of minerals and metals towards processing Australia's mineral resources at home.**

**The proposal follows a report by the Bureau of Resource Economics suggesting Australia is missing a key opportunity to make the best of its considerable mineral resources.**

**The Minister for Industry, Technology and Commerce, Senator Button, said the favourable exchange rate for the dollar against other key currencies, and the industrial restructuring under way in Japan, were among those factors that had brightened the outlook for mineral processing.**

**A policy review will be undertaken by the Basic Metals Industry Council, which has been asked to submit a preliminary report by June and to complete its findings by September.**

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CSO: 4200/546

BANK SAYS GOVERNMENT SPENDING CUTS INSUFFICIENT

Sydney THE AUSTRALIAN in English 13 Apr 87 p 4

[Text]

A LEADING banking group has warned that federal government spending cuts of about \$2 billion in the May mini-Budget would be an insufficient response to Australia's economic problems.

In the April edition of its publication, Business Indicators, released yesterday, the ANZ Bank says the cuts should be seen against the backdrop of a \$12 billion overall government deficit and a current account deficit of \$14 billion.

It calls for a significant tightening of economic policy but says this seems unlikely, given that for the past two years "the Government has struggled with an economic reality that demands measures beyond those which it sees as politically practicable".

It predicts there will continue to be an over-reliance on monetary policy in an attempt to hold the exchange rate and maintain confidence in overall economic management.

"The cost of this approach is that the much-needed revival of business investment will be

further postponed," it says.

The economy has emerged from the "short and shallow" recession of last year and is now on a modest growth upswing. Growth has been boosted by gains in export and import-replacement industries, although business and consumer spending remains weak.

However, successful adjustment to the nation's economic problems remains a long-term process, it says.

The recent improvement in some key indicators could be reversed if the Government's economic policies were relaxed or if world economic conditions deteriorated.

### Restraint

There have been some worrying international developments, the bank says.

Growth has slowed in several leading industrial countries, trade imbalances remain huge and there are increasing protectionist pressures.

"In this environment, Australia may struggle to make further export gains, and falls in commodity prices cannot be ruled out," it says.

In a separate article, the bank calls on the Federal Gov-

ernment to accept the same level of restraint as it is trying to impose on the States.

The article claims that if the Commonwealth had restricted its own outlays in the past four years to the same rate of growth as its assistance to the States, its total outlays in 1986-87 would have been \$8 billion lower. On the other hand, the estimated growth in the States' expenditure exceeded that growth in the Commonwealth's outlays in 1986-87.

In that period the State and local government sector is estimated to have increased its deficit by almost half, to \$7.1 billion, despite a 10 per cent cut in its borrowing limit. This was achieved by drawing on reserves of financial assets — on one estimate the States had more than \$7 billion in reserves or "hollow logs".

This has led to the accusation that the States' spending policies have frustrated the Federal Government's policy aims. The States have claimed in return that the Commonwealth has reduced its own deficit by cutting assistance to the States, rather than by reducing outlays for its own purposes.

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CSO: 4200/546

AUSTRALIA

CONSUMER CONFIDENCE SLIDES 1.2 PERCENT

Sydney THE AUSTRALIAN in English 15 Apr 87 p 2

[Text]

**CONSUMER confidence fell last month as respondents to Melbourne University's consumer sentiment survey said they were unimpressed by proposed July tax cuts and news of an economic turnaround.**

**The survey responses show consumers remain sceptical about their own financial positions as well as harbouring doubts about prospects of economic recovery for Australia.**

**Confidence fell 1.2 points in March to 86.8, its lowest since November when the index fell to 85.6 points after rising from its 10-year low of 78.8 in September. The confidence index was at its year's high of 103.8 in March 1986.**

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CSO: 4200/546

ANALYST ON GLOOMY ECONOMIC OUTLOOK

Sydney THE AUSTRALIAN In English 15 Apr 87 p 2

[Article by Robert Hadler]

[Text]

A GLOOMY economic outlook of rising unemployment, continued high interest rates and steady or falling living standards in 1987-88 has been forecast by a leading private sector analyst.

The Senior Fellow of the Institute of Public Affairs (IPA), Mr Des Moore, said yesterday continued tight monetary policy was required in the absence of government spending restraint to substantially reduce the current account deficit.

The former secretary of the Federal Treasury told the Economic Society in Sydney that political and other constraints would probably prevent a major reduction in public sector borrowings next year.

Mr Moore said that if domestic spending did pick up as forecast in the latest survey of Australia by the Organisation for Economic Co-operation and Development (OECD) there might be little or no improvement in the current account next year.

The warning came on the eve of the balance of payments result for March, expected to be about \$1 billion.

While this would be higher than the February result of \$750 million, it would still be in line with an improving trend in the March quarter.

Mr Moore argued that OECD countries might avoid a recession but there was likely to be slower growth in their domestic demand, which would mean sluggish growth in Australia's exports and a further deterioration in our terms of trade.

He said that if the current account did not improve substantially, there would be heavy downward pressure on the exchange rate with adverse implications for inflation and our already serious external debt problem.

Mr Moore also argued the recent national wage case decision would reduce Australia's international competitiveness by maintaining cost and price increases well above our major trading partners.

He suggested this would have adverse implications for business investment.

The large stock of financial assets held by the State governments would make it difficult for the Federal Government to reduce its net borrowings.

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CSO: 4200/546

## AUSTRALIA

### BRIEFS

STEEL EXPORTS TO NEW ZEALAND--Australia and New Zealand have agreed to speed up the lifting of tariffs and other barriers to Australian export of iron and steel across the Tasman. Australia's trade minister, Mr Dawkins, and the industry and technology minister, Senator Button, said in a joint statement that the phasing out of tariffs would start on 1 July. Most Australian steel products will have totally free access to New Zealand by January 1989. New Zealand's iron and steel products already enter Australia free of duties and quotas. [Text] [Melbourne Overseas Service in English 0830 GMT 28 Apr 87] /9604

POLICY APPROACHES TO PACIFIC--The Australian Council for Overseas Aid said today that Australia had to choose whether it would be partner in the South Pacific or a big brother. In its submission to the parliamentary Joint Committee on Foreign Affairs and Defense, the council said increased Soviet and Libyan interest in the South Pacific was putting Australia's Western alliance to the test. But the council said the danger for Australia was to appear as a big brother telling its Pacific neighbors what was best for them. At the heart of the debate, it said, was the issue of whether the Soviet Union had a legitimate right to establish relations in the Pacific. This council, representing 75 nongovernment aid agencies, said it supported the approach advocated by Australia's Foreign Affairs Department. It said the Foreign Affairs Department argued for understanding and cooperation in approaching the Soviets, while the Defense Department threatens confrontation. [Text] [Melbourne Overseas Service in English 0430 GMT 27 Apr 87] /9604

FRG DEFENSE MINISTER, SUBMARINES--Canberra (DPA)--Federal Defense Minister Manfred Woerner arrived in Canberra (Australia) on Thursday for talks with Prime Minister Robert Hawke, Defense Minister Kim Beazley, and Foreign Minister Bill Hayden. In a speech to the National Press Club, Woerner said he had not come as an "arms dealer," although his visit is seen in connection with the expected decision on the construction of six submarines for the Australian Navy. The HDW shipyard in Kiel, and Sweden's Kockums shipyard are competing for the contract. Woerner gave an assurance in his speech that Bonn has no reservations about the delivery as Australia has the status of a NATO country. [Excerpt] [Hamburg DPA in German 0921 GMT 23 Apr 87] /9604



AUSTRALIA-SPAIN EXTRADITION TREATY--Australia has signed an extradition treaty with Spain which will allow the extradition of suspected terrorists. The deputy prime minister and attorney general, Mr Bowen, and the justice minister of Spain, Mr Ledesma, signed the accord during a ceremony in Madrid. The treaty will allow the extradition of suspected criminals or those already convicted of crimes under both countries' Penal Codes. While it does not make provisions for the extradition of people for crimes of a political nature, it does not regard terrorism as being political. The treaty replaces one signed by Spain and Britain in 1878 when Australia was still a group of British colonies. [Text] [Melbourne Overseas Service in English 0030 GMT 23 Apr 87] /9604

CSO: 4200/544

SINGAPORE OFFERED BUSINESS OPPORTUNITIES

Jakarta ANTARA NEWS BULLETIN in English 14 Apr 87 p A9

[Text] Singapore, April 14 (ANTARA)--Indonesia offers broad business opportunities in various sectors for Singapore's investments, Junior Minister for Promotion and Use of Domestic Products/Chairman of Investment Coordinating Board Binandjar Kartasasmita told businessmen here Tuesday.

According to the minister, Singapore has skills and capital and needs to invest abroad to boost its economy and to strengthen its position in the world business.

Indonesia on the other hand, has vast natural resources and a large number of workers. "The two countries could cooperate under a basis of mutual benefit," the minister said.

Singapore which consumes about one million pigs annually and plans to abolish its pig breeding in the coming four years could invest in pig breeding in Indonesia.

In the wake of the increasing demand for shrimps from Japan, Europe and the United States, shrimp farming in Indonesia also offers a promising business opportunity for Singapore.

Minister Ginandjar said that Singapore could also invest in vegetable and fruit business.

The Singaporean trade delegation visiting Sumatra recently found that the quality of Indonesia's fresh fruits like pineapples and oranges very good.

Fourth Biggest Investor

Singapore is ranked fourth in the list of the biggest Asian investors in Indonesia after Japan, Hongkong and India.

"There is an encouraging increase in Singapore's investments in Indonesia in the last several years," the minister said.

In 1967-1979, Singapore's investments in the country stood at US\$68.8 million. The figures increased to US\$244.8 million in 1980-1986.

Most of Singapore's capital was invested in such sectors as forestry, food processing, metal and chemical industries, real estate, textile and construction industries.

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CSO: 4200/547

ADB AID FOR CREATING RICE FIELDS

Jakarta ANTARA NEWS BULLETIN in English 12 Apr 87 p A2

[Text] Bengkulu, Southwestern Sumatra, April 12 (ANTARA)--The Manila-based Asian Development Bank (ADB) has provided funds amounting to equivalent Rp 3.4 billion (1 US\$ = Rp 1,644) for opening new ricefields covering 1,200 ha in Bengkulu province.

For that purpose the ADB team leader, Dr Shiray Khan, accompanied by the project officer of the new ricefields, Sinulingga, made a three-day on the spot inspection last week.

Dr Khan had submitted documents on the ADB loan for the project to the Bengkulu provincial planning board, the public works ministry representative office, the agrarian and agriculture services.

The new ricefields will get water from the Air Seluma irrigation network in South Bengkulu and the Air Lais irrigation network in North Bengkulu.

The project includes the construction of an agriculture training centre for local farmers.

Bengkulu province, 20,000 sq km in size, has now some 50,000 ha of ricefields. The province has a population of over 1 million, of whom 80 per cent are farmers.

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CSO: 4200/347

NUCLEAR ENERGY RESEARCH PROGRAM

Jakarta ANTARA NEWS BULLETIN in English 14 Apr 87 p A11

[Text] Jakarta, April 14 (ANTARA)--The National Atomic Energy Agency (BATAN) is currently conducting a nuclear energy development and research program at the Bandung Nuclear Energy Development Center.

BATAN announced here Tuesday said nuclear energy research will be continued by BATAN at the Serpong reactor center (West Java) after the safety and engineering laboratory, which is currently under construction, has been fully completed.

The BATAN in collaboration with the Italian Nuclear Power and Alternative Energy Agency had recently held a joint seminar on nuclear energy development, research and safety promotion.

The seminar was organized to enhance Indonesian-Italian cooperation in the framework of promoting the use of nuclear power for peaceful purposes.

The cooperation to promote nuclear technology between the two countries started in 1978 and the signing of the Memorandum of Understanding between the two countries took place in February 1987, agreeing among other things to cooperate in drafting the first nuclear power plant to be set up on the island of Java.

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CSO: 4200/547

## COUNTRY'S POTENTIAL TIN RESOURCES

Jakarta ANTARA NEWS BULLETIN in English 15 Apr 87 p A2

[Text] Jakarta, April 14 (ANTARA)--Indonesia has 1,640,000 metric tons of potential tin resources, consisting of 740,000 metric tons of proven deposits, 400,000 metric tons of assumed reserves, 200,000 metric tons of conditional sources and 300,000 metric tons of still to be located deposits, the department of mines and energy disclosed here Tuesday.

Some 78 percent of the country's tin resources are in Bangka island and its surrounding waters, while 43 percent of the total is in offshore areas. In 1977, a fairly large deposit was discovered in the waters west of Kundur Island, Riau, which was worked on by dredgers only beginning in 1985.

In view of the fact that the mining of secondary tin had already been done 200 years ago, the possibility of discovering tin on land became increasingly meager, and the tin content of the ore will also steadily decrease.

A spokesman for the department further disclosed that two-thirds of the traditional tin granite layers are in the sea, so that Indonesia's tin future will be in the sea.

Up till now the mining of primary tin has been more difficult than that of secondary tin.

The deep mine in Kelapa Kampit (Belitung), and the open mine in Pemali (Bangka) run by PT Tambang Timah, have primary tin deposits.

The result of explorations showed the existence of primary tin deposits in the islands of Singkep, Bangka and Belitung.

In Belitung, primary tin deposits were found in Tikus, Senyubuk, Sematik, Birah, Garumedang Mayang Antu, Batu Mandi, Tebrong, and Silumar, while in Bangka island, the deposits were found in Pemali, Tambang 10 Tempilang, Gantan, Memanik, Bukit Bais, A. Jangkang and in Singkep, they were found in Tumang.

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CSO: 4200/547

# SOVIET AIDE LAUDS SOVIET-LAOS ECONOMIC RELATIONS

Hanoi NGOAI THUONG in Vietnamese Jun 86 pp 30-32

[Article by Vyacheslav Timofeyev, Commercial Representative of the Soviet Union in Laos: "Good Results Achieved in Soviet-Laos Economic-Commercial Relations During Past 10 Years"]

[Text] Economic-commercial relations between the Soviet Union and Laos were established in 1976, just after the declaration founding the Lao People's Democratic Republic of Laos (December 1975).

In January 1976 a number of agreements regarding economic assistance by the Soviet Union for Laos and the development of commercial and other relations between the two countries, were signed in Moscow. The signing of those agreements enabled Laos, after many years of being exploited by the imperialists, to have a basis on which to establish equal economic relations with foreign countries. The Soviet Union and Laos established model socialist economic-commercial relations, based on the principles of proletarian internationalism and fraternal assistance.

In accordance with those agreements, the Soviet Union has supplied Laos the goods necessary to stabilize its industry and improve the welfare of its people, both credit with interest and grants.

During the first year, Laos received from the Soviet Union a quantity of goods valued at 10.6 million rubles. More than 70 percent of those goods were machinery, equipment, and transportation facilities. The supplying of transportation facilities has an especially great importance in the case of Laos because Laos has no railroads or ports. Those goods also helped Laos resolve its problems with regard to foodstuffs, consumer goods, and medicine.

The Third Congress of the Lao Revolutionary People's Party, held in April 1982, stressed the development of agriculture and forestry. The Soviet Union's supplying Laos with tractors, agricultural machinery, production tools, fertilizer, and saw mill equipment accelerated the process of fulfilling the missions set forth by the Party Congress. In setting up the forest industry enterprises, the Soviet Union has given all-round assistance to Laos, from studying and evaluating reserves to afforestation by developing plant nurseries in order to reproduce the various kinds of valuable tropical trees.

A special characteristic of Soviet Union-Laos commercial relations has been their rapid and stable development. Over a period of more than 10 years, the volume of goods provided to Laos by the Soviet Union has increased more than seven-fold. At present, there are 4,500 trucks in Laos that were supplied by the Soviet Union, 75 percent of which are diesel-powered.

Laos is a country with many rugged hills and mountains, so transportation is very difficult. Therefore, the aircraft supplied by the Soviet Union to Laos have become the backbone of the Laos civilian aviation sector, to conduct the regular domestic flights and flights to neighboring countries.

In the process of building industrial and housing projects, Laos has imported a large amount of cement from the Soviet Union.

During the past decade, the Soviet Union has provided Laos with nearly 30 million meters of cloth, many woolen blankets, and other consumer goods, which were formerly largely imported from capitalist countries. Those consumer goods have included such household electrical appliances as refrigerators, fans, electric stoves, irons, sewing machines, bicycles, tin goods, and other electronic materials.

Since the liberation, many skilled Soviet technicians in the automotive, tractor, agricultural machinery, and aircraft and equipment spheres, have always been present in Laos. The mission of those technicians is to equip Laotian technicians and workers with production know-how and knowledge, and guide them in applying advanced methods in order to effective use of the newest kinds of equipment.

Economic assistance by the Soviet Union for Laos has the primary goals of developing communications and transportation, developing industry and agriculture, natural resources, public health, and education, and training specialists.

In accordance with agreements regarding economic-technical cooperation, organizations of the Soviet Union designed construction projects, provided equipment and materials, sent technicians, and trained Laotian students in the Soviet Union, free of charge or at preferential interest rates.

Recently, cooperation between the two countries began a new qualitative phase. That is characterized by all-round progress, with technical assistance, in constructing the basic projects, and the supplying, with special goals, of various kinds of transportation facilities, spare parts, petroleum products, and other kind of goods, via the foreign trade organizations. Therefore, the construction rate of the projects has rapidly increased and those projects have operated with increasing effectiveness.

The volume of economic-technical assistance provided by the Soviet Union during the the recent 5-year plan period increased four-fold over the previous 5-year period. During the first 4 years of the recent-year plan period the



Soviet Union turned over to Laos 16 projects and the cooperation goals were completely attained.

In Laos, the development of transportation is a decisive factor in economic development. In order to expand the transportation system, the Soviet Union has helped Laos set up a national transportation organization and has provided it with new types of transportation facilities, and a number of important projects to improve the material-technical bases of the transportation sector are being constructed. With the assistance of the Soviet Union, Vietnam, and the other socialist countries, Route 9, connecting Laos with Da Nang, is being constructed.

In 1984 a 254 meters-long bridge across the Ngum River was completed and a 370 meters-long bridge across the Kading River on Route 13 is being completed. In general, the completion of that project will facilitate the delivery of cargo from the Soviet Union to Laos via the port of Da Nang, and increase capabilities to export good from Laos to other countries.

In order to utilize modern industrial methods in building housing and the industrial projects, the organizations of the Soviet Union have helped Laos set up a construction organization with modern material bases and equipment. Therefore, the construction rates of the cooperative Soviet-Laotian projects and the separate Laotian projects have been accelerated.

Recently, the Latsen state farm in Xieng Khovang began operations, so the technicians and workers have goods research and production conditions and have improved their living conditions.

At present, a 150-bed hospital and 350-bed dormitory are being constructed in Vientiane, and in the future medical treatment will be improved. A polytechnical college which will train machinery and geology workers will soon be completed. The Soviet Union is continuing to help Laos restore a combine to mine coal and construct an enterprise to exploit wood, while also assisting in the operation of Soviet-aided projects that have been completed, such as an oil storage area, an automotive repair shop, an earth-space satellite communications station, etc.

The training of skilled technicians and workers and workers plays an especially important role in Soviet-Laotian economic-technical cooperation. Thousands of Laotian students have studied and are studying in colleges, middle-level schools, and vocational schools in the Soviet Union. Meanwhile, the Soviet technicians in Laos guide the Laotian cadres and workers in many spheres.

As stated during the sixth conference of the Soviet Union-Laos Intergovernmental Committee on Economic and Scientific-Technical Cooperation in January 1985, during the past 5 years economic-technical cooperation between the two countries had created conditions for resolving a number of Laos' principal economic problems, strengthening the state economic sector, building up the ranks of the working class, and developing the knowledge of the Laotian technicians.

Recently, a very important problem has been posed: maintaining the machinery and equipment provided Laos by the Soviet Union. In February 1984, in Vientiane, the two countries signed an operational plan made up of measures to maintain, and provide spare parts for, machinery and equipment imported from the Soviet Union during the 1984-1985 period. According to that plan, automotive and tractor maintenance stations will be made operational early. It also dealt with the Soviet Union assisting Laos in determining requirements regarding the use, storing, and distribution of spare parts and training technicians to maintain machinery and equipment. The goals set by that plan have been attained. For example, a contract was signed calling for a grant to build a garage and provide equipment and spare parts for the maintenance stations in Vientiane in 1984 and 1985, many groups of Laotian technicians have been trained in the Soviet Union to repair motor vehicle tractors, and agricultural machinery, and a warehouse network has taken form with the assistance of Soviet Union technicians.

Many major tasks are being carried out in the organization of a complete network to maintain machinery and equipment imported from the Soviet Union.

Although trade between the two countries is not yet balanced, Soviet imports from Laos have tended to develop stably, beginning with the past 5-year plan period (1981-1985). The Soviet Union is receiving an increasingly larger quantities of plywood, flooring lumber, ores, coffee, and spices from Laos. During the past 4 years, the volume of goods exported from Laos to the Soviet Union has increased four-fold.

Laos, a country rich in natural resources, has many good prospects for developing the main export industry sectors. That is a fact which has continually received the attention of the Laotian government. Recently, Laos has taken a number of steps to step up the economic activity of the main export enterprises and granted them autonomy with regard to economics and finance.

The management experience that has been accumulated has helped Laos draft a detailed plan in the economic development process to ensure activity, make effective use of natural resources, and increase export and payment capabilities in foreign trade.

More and more books, newspapers, stamps, and music records are being exported from the Soviet Union to Laos. During the past 5 years, the volume of books and newspapers has increased by 150 percent. Therefore, an increasingly larger number of Laotians are concerned with the heritage of Marxist-Leninist thought. Those works, along with the various kinds of books on history, the party, culture, politics, and society are among the books exported to Laos. Since 1979 Laos has received more than 100,000 copies of the works of Lenin translated into Laotian. Preparations to publish the selected works of Lenin, totaling 12 volumes, are nearly complete. At present, there is a plan to publish a series of 20 small books on the bases of social-political knowledge and a series of six volumes on the topic of beginning the path to socialism.

The works of Gorky, Ostrovskiy, Polevoy, and the other classic Soviet authors

have been translated into Laotian and are popular in Laos. Textbooks for people studying Russian account for an important part of the publications imported from the Soviet Union. The "Start" educational curriculum is very popular among students and teachers of Russian. A Lao version of the book "Russian For Everyone" was published in 1985.

The publishing houses of the Soviet Union have begun to fill an order from Laos for cultural, scientific, and technical books. The first Lao-language medical books have been published and 27 other books on scientific topics are being prepared for publication.

The friendship visit to the Soviet Union by Comrade Kaysone Phomvihane, General Secretary of the Central Committee of the Lao Revolutionary People's Party and Chairman of the Council of Ministers of the Lao People's Democratic Republic, in August 1985, was a profound manifestation of fraternal friendship and solidarity between the two countries.

During that visit, there was a meeting between Comrade M.S. Gorbachev, General Secretary of the Central Committee of the CPSU, and Comrade Kaysone Phomvihane. During the discussions on economic, scientific, and technical relations, the two sides stressed the dynamic and harmonious development of those relations. The two sides expressed belief that the important thing is to strengthen and expand the effectiveness of the economic relations between the two sides, on a long-range, all-round, and mutually beneficial basis.

During the present 5-year period, the Soviet Union will expand its economic-technical assistance for Laos to develop such key economic sectors as agriculture, forestry, and transportation, develop natural resources, and train technicians, while stepping up the export of essential goods to Laos.

Laos will step up its exports to the Soviet Union, because it is capable of achieving a trade balance and expanding economic relations.

At present, the organizations of the Soviet Union and Laos are completing a program for developing external economic relations between the two sides during the 1986-1990 period. That will further strengthen and consolidate the economy of Laos and benefit both nations.

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CSO: 4209/393

STRATEGIC, ECONOMIC TRENDS ANALYZED

Bangkok BANGKOK POST in English 9 Apr 87 p 5

[Report by Ying Singoy]

[Text]

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**Relations with Laos are going through a difficult period, but this has not always been the case since the Pathet Lao seized power. In 1979 Deputy Interior Minister Prem.Tinsulanonda accompanied Prime Minister Kriangsak Chomanan on a trip to Vientiane which succeeded in bringing the two countries closer together. Now a simmering dispute over three border villages and spying charges are preventing expanded commercial links with our Marxist neighbour, reports YING SINGOY.**

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IT IS of great disappointment to the 15 million or so Thai citizens who are of Lao ethnic extraction that recent talks between the two countries quickly degenerated into a slanging match. But businessmen in Bangkok are also frustrated to see commercial opportunities squandered.

Despite the insults, relations between Laos and Thailand are now no worse than they were before Deputy Foreign Minister Soubanh Sarithirath visited Bangkok. What happened made it clear that the divide of Southeast Asia into the two camps of ASEAN and Indochina is a more important factor influencing relations than cultural and economic ties over the centuries — something officials tended to overlook.

If the Government genuinely wants to restore a friendly relationship with Laos — and there are excellent reasons for doing so with the impoverished land-locked country — it is unrealistic to assume that our relative economic might means that the Foreign Ministry can dictate terms.

Sabre-rattling coupled with an economic blockade is not going to bring Vientiane back into the fold. A televised commemoration of Thai heroine Thao Suranaree whose statue looks down on Korat town centre and who defeated Lao invaders 150 years ago was ill-timed and should not have coincided with the talks. Up until 1985 the export to Laos of sanitary napkins and hundreds of other goods was banned because of their strategic importance.

The backward, mystical country needs to be wooed, not pushed further into the clutches of Hanoi. If only because Laos is a land-locked country she cannot be too choosy about who her friends are. Of vital importance is access to the sea. It is ironic that the road completed in the 1960's linking Klong Toey Port to Vientiane is called the Friendship Highway and yet Laos is now pushing ahead with Route Nine to the Vietnamese port of Da Nang. When that is completed by 1990 at the latest, Thailand's comparative advantage as a trading partner will have been reduced and the Laotian bargaining position strengthened.

While the Foreign Ministry is not solely responsible for the failure of the talks, its officials should now take a long hard look at their current attitude towards dealing with our northeastern neighbour, and then reflect on the strikingly different way the process of enlarging spheres of influence was achieved before the modernisation process began during King Chulalongkorn's reign; potential enemies are best neutralised by making cordial relations to everyone's (financial) advantage.

□ □ □

THERE is a temptation to ask why we should not continue to take a hard-line. The centrally planned Laotian economy is in shambolic chaos; they owe money to just about everyone and every lending agency and by far their largest export in terms of hard currency earnings is electricity. Of total exports worth a pitifully small US\$48 million in 1985, \$27 million — more than half — was earned from exporting electricity to Thailand. At present about one household in 18 receives its power from Laos. Conversely, if a house in Laos has a corrugated iron roof or plywood walls (most don't) then those building materials were almost certainly imported from Thailand, as too were the glass window panes (even rarer).

In the last 10 years most developmental assistance to Laos given by governments has come from the Communist Bloc, particularly Eastern Europe. But now these states are converting grant aid into loans which have to be repaid.

Given its precarious financial position (in June 1985 there was a mere US\$12 million to play around with in hard currencies after accounting for external liquid liabilities), Vientiane desperately needs a new set of friends.

Given this state of affairs, hawks argue that if we refused to purchase Laotian hydro-electricity Thailand could literally send that country back to the stone age, the myth of a centrally planned Utopia would crumble and the country would eventually be forced to play a meek "little brother" role.

But instead of objecting to Vientiane's decade-long flirtation with Marxist economic theory, Thailand should be cashing in on the system's inherent weaknesses in the Laotian context. In any case, in a country where 85 per cent of the population live in farming families growing only enough for their own needs, preoccupation with economic organisation of any ideological shade is largely irrelevant. Laos is not and is unlikely to become in the foreseeable future a country where the political system has much bearing on the everyday life of the people or how they think and behave.

Our future relations with Vientiane should instead take into account practical considerations such as to what extent the economy of the northeast could be expanded and the living standards of the people living there raised if there was a larger flow of goods and services across the Mekhong River.

Although Laos has little money to spend there are promising potential opportunities for Thai businessmen especially in the construction, forestry and agricultural sectors and outside help is needed. Since 1980, returns on investment for Vientiane have been low because the country is not making the most of its comparative advantages. Instead, central planning has put the state industrial sector at a disadvantage over the smaller private sector despite the fact that the state sector gets the lion's share of the scarce resources available. This problem is even more acute in agriculture. In the next four years the State Planning Commission plans to diversify agricultural production and promote cash crops for export, but over three quarters

of farmland is still in the hands of the private sector. It is of little surprise that rice yields are among the lowest in the world and earnings from coffee exports have dwindled because plantations are not being improved.

Coffee from Laos is among the best in the world and some of it still finds its way onto the breakfast tables of Europe. But there it is sold as Columbian beans which are also of excellent quality because that country has built up a name for itself with coffee drinkers. Thai businessmen have proved they have the expertise to ensure that Southeast Asian agricultural products deserve the credit due to them and this is a fine example of how as an entrepot Bangkok could profit from increased trade with Laos. Coffee is expensive and something of a luxury; Vietnam is not in a position to help the Laotians boost sales of their third most important export after power and wood products. Thailand is and as a middle man is sure to profit.

Meanwhile, more than half of the saw mills in Laos are now lying idle because of a shortage of logs although Thai expertise in this field is quite unparalleled. Similarly, new hydro-electricity projects will require concrete bought on installment terms to build dams.

It is in Thailand's interest to improve relations now more so than ever because of the self-inflicted problems caused by establishing a one-party communist state. Claims that removing official opposition has meant all resources can be concentrated on bringing about rapid national development have been shown to be groundless and as Laos embarks on its 1986-1990 economic plan, relations with its various neighbours will make the difference between limited success and spectacular failure.

COLUMN CITES PER-HECTARE AGRICULTURAL TAX RATES

Vientiane VIENTIANE MAI in Lao 17 Oct 86 p 2

["Conversation with Readers' Friends" column: "How Is the Agricultural Tax Calculated?"]

[Excerpt] [Question] 1. How do we go about paying agricultural taxes? I have paid and collected these taxes according to the law, but I do not understand how they are calculated. Is there any difference in the way the calculation is done now as compared with previous years? I hope you can clearly explain this matter to me. Thank you. Vimon, Saithani District.

[Answer] Dear Vimon: Your question arrived just at the time that the Council of Ministers disseminated the promulgation of agricultural tax regulations. The following is the regulation.

Article I. An agricultural tax is a tax on land that is for used ricefields, highland cultivation, and gardening. All owners of land or users of the land when it is cultivated must pay agricultural taxes, regardless of whether they are family farmers, highland farmers, private gardeners, individuals, or units, cadres, soldiers, police, or agricultural co-ops. As for the calculation, the regulation states in Part 8 of Article IV that the figure for calculating agricultural taxes must be 1 kg of paddy rice per hectare according to how good the soil is based on the following categories:

A. There are four types of ricefields. First, ricefields in which the income exceeds 3,501 kg of paddy rice per hectare will pay 160 kg of paddy rice per hectare in agricultural taxes. The second type is a ricefield with 3,001 kg of paddy rice per hectare for which the agricultural tax will be 140 kg of paddy rice per hectare.

B. Highland farming areas are divided into two categories. First, year-round cultivated fields with the agricultural tax being 70 kg of paddy rice per hectare, and the second type, plowed fields and settled farming, with the agricultural tax being 40 kg of paddy rice per hectare.

This regulation on agricultural taxes is No 15(kh)/LPDR issued on 11 August 1986. I hope that the different grassroots unit receive this regulation. If there is anything that is still unclear, write to me and I will explain it further. Thank you.

COLUMN VIEWS RELUCTANCE TO PERFORM GUARD DUTY

Vientiane VIENTIANE MAI in Lao 18 Oct 86, 20 Oct 86

["Conversation with Readers' Friends" column: "Problems with Guard Duty"]

[18 Oct 86 p 2]

[Text] [Question] Dear VIENTIANE MAI editor: I am interested in guard duty in my village, and participation in guard duty in our village has been going very well. The only problem is that I am a government cadre and sometimes I must do guard duty in the office building and after that sometimes I do guard duty in my village. What can I do about the problem of doing guard duty in both the office and my village? If I do guard duty for the office but not in the village, would this be considered wrongdoing? I would like to do it at just one place. Please help clear this issue up for me. Phosai.

[Answer] Dear Phosai: I would like to discuss an old issue that has already been brought up in this newspaper. You should understand that national defense and security are the duties of the masses in general. We have turned national defense and security networks over to the masses. This means that we have made the national defense and security system belong to the masses.

From these confusing sentences we immediately see that national defense and security and also national development are primary and immediate duties of the Lao people of all ages and classes, both men and women. There is no limitation or exception. Why? The answer is no different than pounding your fist on the earth because there is no one who does not know how he must express his love toward his country.

Many people tell you and me that they love their country, but how can we measure their words if their actions do not show it?

Being patriotic does not mean embracing the country but must be shown in concrete actions, such as working with either brains or sweat to boost production together and to work together to protect the country from anyone who would invade us.

[20 Oct 86 pp 2, 4]

[Text] We must be united in carrying out the laws and regulations which are social regulations set by the country, along with other social regulations that are in effect.

Therefore, what you wrote us is the question I have answered: "In our behavior toward the country in the past as well as at the present time, have we acted and repaid adequately or not? If it is enough we will stop where we are and allow other people to take our place. Then we will simply sit and look. Is this right?"

We have devoted our lives to the revolution. Thus, we must review our own actions from the past and plan the details for the future with a patriotic spirit and with our sights on the revolution and science. Without a revolutionary vista we will not be able to plan correctly and accurately.

We can conclude that the problem we are discussing is one where we will realize at once that "only wishing to do or to act is incorrect." Why? Because we have devoted our lives to the revolution. Thus, we must correctly carry out all the tasks assigned to us. We must carry them out according to our own sweat, strength, intellect, and ability. We must make boundless sacrifices without confusion, problems, or obstacles. We must decide to work "for the nation and for the people."

Regarding guard duty specifically (national defense and security is of life-and-death importance), it is a duty for everyone. Everyone must take part in this duty with determination. We cannot be careless for even 1 minute.

It is true that many people are government cadres. But here we must think of who we are when we are at home. If we are aware of who we are, we must take part based on our strength. If we cannot because of our government task, then we must report and ask other people to take our place temporarily, so that we affect both tasks. As for me, like you when I am in the office I do government work, but when I am at home I participate as much as I can. Many people who have done this deserve to be praised.

Some time ago a lovely girl wrote to tell me that in her house there are all girls, and they take part in guard duty all the time. The only regret they have is that the chief of their ward does not speak politely. After I discussed the problem it quieted down. This means the problem was already solved. We men must compete with women. We must not become discouraged. We must be determined to carry out the task assigned to us the best we can. I hope this long discussion has helped you to understand the problem better. Thank you and farewell. We must be determined to emulate each other to score achievements together.

9884/12851

CSO: 4206/84



LICENSING FEES TIED TO MARKET PRICES, CONDITIONS

Vientiane VIENTIANE MAI in Lao 29 Oct 86 pp 2, 4

["Conversation with Readers' Friends" column: "Why Do We Register Our Bicycles?"]

[Excerpt] [Question] 1. Why is bicycle registration necessary? 2. Why is the cost of bicycle registration so high? These are the only questions I have, and I hope you can clear them up for me. Thank you very much. 20 November 1986, from Pakaisit in Ban That Louang.

[Answer] Dear Pakaisit: The answer to your question that follows may not be very clear to you. However, you should study it by yourself. The primary purpose of registering vehicles, whether bicycles, motorcycles, automobiles, three-wheel vehicles, solid-wheel carts, oxcarts, etc., is to control the vehicles under regulations. This means to create orderly control and protection for the use of the vehicles by the owners as well as for the authorities who are responsible for this task. For example, the purpose of having cars inspected is primarily to make sure that the cars are in good condition on the road and to avoid accidents that might be caused by cars in poor condition.

2. The calculation of the registration charge depends mainly on the type of vehicle, and for this reason there are different registration fees. For example, large cars may have to pay more than motorcycles, and motorcycles might have to pay more than bicycles. In general the calculation uses as a guideline such financial information as the income of the owner, the cost of living from the market, national production, etc. together, and a guideline is then adopted.

These are only some examples. I cannot explain any more details because it is the job of the finance section to calculate the figures where they have to add in everything thoroughly before setting any prices, so that the costs they set will be suitable and correct. In theory the finance section should be the one to explain this in detail. I hope you understand.

9884/12851  
CSO: 4206/84

# MINH HAI PROVINCE COOPERATES IN DEVELOPING LAOS MOUNTAIN AREA

Hanoi NHAN DAN in Vietnamese 8 Nov 86 p 2

[Article by Duc Khanh: "Economic Cooperation Between Minh Hai and Laos"]

[Text] In 1985 Minh Hai, along with the other units and the Mountain Region Development Corporation of the Lao People's Democratic Republic, implemented a contract that had been signed by the various sides to harvest 26,000 cubic meters of wood and export it by transporting it eastward to the port of Nghe Tinh in Vietnam. The first shipment to be exported in that manner (1,500 cubic meters) was exported on the 30th anniversary of the founding of the Lao People's Revolutionary Party (22 March 1986). That was the first result of the reorientation of foreign trade activities to the east, in accordance with the policy of the party and state of Laos. In addition to the harvesting and export of wood, Minh Hai has provided a number of consumer goods, materials, and equipment requested by our friends, while also helping them organize the exploitation of forestry products and carrying out reafforestation after the timber was harvested, and zone population settlement areas, build material-technical bases, housing projects for the people, hospitals, schools, etc., to form a concentrated population are at the Lac Sao production and commercial center.

With authorization by the Lao People's Democratic Republic, Minh Hai and the Mountain Region Development Corporation signed a long-range, comprehensive 5-year economic cooperation program (1986-1990). That economic cooperation program includes the following principal objectives: the creation of wood-processing areas, the initial formation of agricultural-forestry-industrial economic clusters, the stabilization of population at Lac Sao, Pha Thon, Ma Cay, and Von Kham, clearing the Mekong River channel to expand travel and transportation among Laos, Cambodia, and Vietnam and to Minh Hai, repairing and upgrading Route 8B and Route 12 to serve the transportation, exploitation, and export of wood, and expanding the processing of other forestry products for export.

In addition to those objectives, the two sides have worked together to carry out other experimental programs, such as growing industrial and export crops, quarrying ornamental rock and rock for building, animal husbandry, cultivation, the setting up of state forests, and the training of technical workers for Laos. Those goals are being attained. During the first 6 months

of 1986, more than 13,000 cubic meters of wood were harvested and exported, and nearly 1,000 workers, as well as vehicles, machinery, equipment, etc., from Minh Hai and the other units participated in the activities of all projects of the economic cooperation program.

When one visits Lac Sao now one sees the rapid changes that are taking place in many regards. A year ago, only about 10 families lived deep in the forest and were cut off from the outside world. Lac Sao has now changed. It has gradually formed agricultural-forestry-industrial economic clusters, and more than 100 families live stable lives and participate in such production activities as cultivation, animal husbandry, and the harvesting of forest products. The lumbering and afforestation site is being expanded. There is a sawmill and a carpentry shop to supply wood to the people. A building to preliminarily process pine tar has been constructed and brought into production. Routes 8B and 12 have been surfaced with rock and built according to plan. Lac Sao now has a school and a 50-bed hospital, has sufficient electricity to supply for production and for night-time illumination by the people, and has a general store which deals in foodstuffs, consumer goods, and forestry-agricultural products.

Comrade Kaysone Phomvihane, General Secretary of the Lao Revolutionary People's Party, values highly the economic cooperation between Minh Hai Province and Laos. He believes that the effective work done by Minh Hai has served to encourage the Laotian people to study and apply those experiences on the spot, in labor and economic management, to develop their country. It may be affirmed that Minh Hai has contributed importantly to the first exports of lumber from Laos via the South China Sea.

The economic cooperation program between Minh Hai Province and Laos has contributed to developing and consolidating the loyal, special solidarity between Vietnam and Laos. It is a manifestation of the loyal cooperation, mutual reliance, and strong sense of responsibility for the benefit of the people of the two nations.

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CSO: 4209/393

# HMONG, LAO UNRECEPTIVE TO EDUCATION IN LOUANG NAMTHA

Vientiane SUKSA MAI in Lao Nov 86 pp 5, 12

["Good People and Outstanding Achievements" column by Louang Namtha reporter:  
"An Outstanding Mountain Teacher"]

[Excerpts] "When a teacher is needed, where no other teacher wants to go, wherever there is no school, those are the places that need Mr Thongkham Santison." This was spoken in sincere admiration by the education section in Louang Namtha Province about teacher Thongkham.

Thongkham is now 30 and very active. He does not choose where to teach, and his honored and gracious teaching career has caused him to be separated from his wife and four small children. He moved to various villages to teach. He is of the Thai Dam race and has been teaching in Ban Lao Soung and Lao Houai. After he had completed basic teacher training he was assigned to teach in Ban Phao Lao Houai in Ban Hat Gnao Noi where several teachers who had been sent to teach for a period of time had fled to the flatland. However, he was able to set up a school, and he taught students there in the first to third years. Later he trained a village youth in teaching to carry on his duty.

In the 1983-84 academic year Thongkham suggested to the chief of Ban Phou Louang that he teach in a Hmong village where there was a deserted school because the previous teacher had left and the people no longer wanted teachers. They had said: "You do not need to teach here, because you will soon be leaving our children again. You will have made us build a school for nothing. Since you see that we do not want to learn, you should go back to the district!" No matter what reasons Thongkham gave in explanation they did not listen to him. The village chief asked the people to build a house for the new teacher, but they refused, and instead they repaired a chicken coop for him to live in. Thongkham was patient in all circumstances. He mobilized the people, and it took him 2 months to be able to build a new school. He dressed in Lao Soung clothing, wore his hair Lao Soung style, and learned their language. He went to clear the land, picking vegetables for pigs and fetching grass for each family's horses. There were nearly 30 houses. Because of his involvement in their work, their lives, and their discussions, the villagers gradually understood and agreed to build the school. There were 11 students in the first-year elementary level. In subsequent years there were second- and third-year elementary levels, respectively, Thongkham having taught all by himself for

for 3 years. When the higher echelons planned to send him to start in a new place the villagers refused to let him leave. They consider him their son. They love him, and will not let him be far from them. The higher echelons told the villagers that they wanted Thongkham back for training, but the villagers argued that they did not want this to happen, because when he had finished he would not come back to teach at the same place. Thongkham was glad because he did not want to leave the villagers. Although he was separated from his family and his aged father-in-law, he agreed to continue to teach in Ban Phou Louang. The villagers helped Thongkham's family, for example, by sending people to help during the rice growing seasons and the time for growing vegetables, setting up fences, etc. Whenever anything was needed the Phou Louang villagers would go to help his family. During the harvest season they would bring their pumpkins, cucumbers, green beans, lettuce, etc. to Thongkham's family in Ban Thongchai, which is only 1 km from Louang Namtha District. During vacation he would find time to be with his family with some of the villagers' gifts in his hands. His family agrees with his devotion in training a new Lao people in the mountainous area. Thongkham has always felt that his job and task were loftier than his own and his family's benefit.

9884/12851

CSO: 4206/84

# YEAR OF COOPERATION BETWEEN HA NAM NINH, OUDOMSAI REVIEWED

Nam Dinh HA NAM NINH in Vietnamese 2 Dec 86 p 2

[Article by Do Quang Binh, acting chairman of the Committee for Economic-Cultural Cooperation With Laos: "A Year of Implementing the Agreement on Economic-Cultural Cooperation Between Ha Nam Ninh and Oudomsai Provinces"]

[Excerpts] One year ago a delegation of representatives of the party organization and governmental administration of our province, headed by comrade Dinh Gia Huan, a member of the Propaganda-Proselytization Department of the Party Central Committee and chairman of the provincial people's committee, went on a friendship visit to participate in a ceremony to commemorate the 10th National Day of the Lao People's Democratic Republic in Oudomsai Province and signed an economic-cultural agreement between the two provinces in 1986.

Last year the cooperation and friendship relationship between the two provinces took steps forward of which they can be very proud. Their mutual understanding and sympathy for each other's difficulties have become increasingly profound. We were very moved when, immediately after our province suffered serious losses with regard to people and materiel because of Typhoon No 5, Oudomsai promptly sent a delegation to visit us and share our difficulties and losses.

For our part, during the past year we have made many all-out efforts and positively carried out the tasks agreed to by the two provinces.

Under the close guidance of the standing committee of the provincial people's committee, the relevant sectors of the province enthusiastically organized implementation, was prepared to overcome difficulties, showed heart-felt concern in its work related to its sister province, clearly manifested a socialist international viewpoint, and regarded cooperation with and assistance for its sister province as one of its tasks. Projects to celebrate the party congresses of the two countries and the two provinces which were set forth in the common agreement between between the two provinces were carried out successfully. They included the following:

The general hospital of Oudomsai Province, which is being urgently completed so that it can be turned over to our friends and brought into use by the end

of 1986 or the first part of 1987. The Tham-Nhuong dam water conservancy project, which will irrigate 500 hectares of rice, was surveyed and designed, and an economic-technical justification was drafted, after the historic flood of 1985 in our sister province. Files and documents were turned over to our friends so that they could draft investment and construction plans. Our province surveyed and designed a project to repair Route 2, which is 140 kilometers long and connects Muong Xay with Pac Beng, many segments of which had recently been washed out by flood waters. We have drawn up estimates for our friends and are ready to assume responsibility for repairing the road if so requested by them. Especially, Corporation 3 and the Ha Nam Ninh machinery factory have assumed responsibility for constructing a general education secondary school in the center of the province, which we are partly financing, and the Oudomsai Province machine shop, for which we lent funds to our sister province. At present the units are actively preparing materials, equipment, transportation facilities, etc., to send to Oudomsai to begin construction during this year's dry season.

Furthermore, we have established the form of economic alliances, a very new model, between the Military Command of Ha Nam Ninh Province and the Military Command of Oudomsai Province, in cooperating in the production of tobacco and sugarcane, tied in with the consolidation of national defense. On 15 March 1985 unit T of the Ha Nam Ninh Province Military Command set out for Oudomsai to undertake that mission. Within a short period of time the unit, along with the cadres, enlisted men, and people of our sister province, produced filter-tip cigarettes. That accomplishment was applauded by our sister province and opened up good prospects, if both sides have good working methods and cooperate closely. After a review and study were carried out, the exchange of goods between the foreign aid sectors of the two provinces was also stepped up. Since the beginning of this year Ha Nam Ninh has sent to Oudomsai a volume of goods valued at 18 million dong, and Oudomsai has exported to Ha Nam Ninh a volume of goods of corresponding value.

The work of training cadres and workers to help our friends has been well managed. Our province is helping our friends train mid-level planning cadres and public health cadres in Ha Nam Ninh and is conducting a work-study class in Oudomsai.

Although the tasks that have been accomplished and the mutual assistance between the two sister provinces have been modest, they have contributed importantly to consolidating the special solidarity and friendship between Vietnam and Laos in general and the two sister provinces Ha Nam Ninh and Oudomsai in particular. Building on the accomplishments that have been attained, celebrating the victory of the recent Fourth Congress of the Lao Revolutionary People's Party, and celebrating the forthcoming Sixth Congress of the VCP, we will work with our sister province Oudomsai to further promote all-round cooperation, help each other advance, and contribute to doing an increasingly better job of building and defending the two socialist fatherlands.

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CSO: 4209/393

## BRIEFS

FRENCH TEACHERS' SEMINAR--On the afternoon of 31 October a closing ceremony was held for the French teachers' seminar in Vientiane Senior High School, which was held for a full month. Additional funding had been provided by the French Embassy in Laos. The seminar examined techniques for teaching French, the use of textbooks, how to write lesson plans, etc. The 28 teachers who attended were from the Vientiane Senior High School, the Pha Ngoum Senior High School, and other senior high schools in Vientiane Capital. [Text] [Vientiane SUKSA MAI in Lao Nov 86 p 3] 9884/12851

VIENTIANE DISTRICT TRADE--From early January to the end of September, 37 cadres and workers at the Level III Trade Company for Saisettha District, Vientiane Capital, have decided to emulate each other in carrying out their own plan with diligence and enthusiasm. After this period they were able to distribute different materials and goods to cadres, soldiers, police, and people for consumption throughout. They were able to earn a total of over 24.4 million kip, they made a profit of over 2.9 million kip, and they carried out their duty toward the government budget by contributing over 1.3 million kip. [Excerpt] [Vientiane VIENTIANE MAI in Lao 27 Oct 86 p 1] 9884/12851

MORE TAX COLLECTION--From early January to the end of September 1986, 18 cadres and government employees in the revenue section under the finance section in Saisettha District, Vientiane Capital, were able to collect enterprise taxes, license taxes, salary taxes, profit and rental taxes, and various fees totaling 14,172,904 kip or 78.73 percent of the year plan for 1986. [Excerpts] [Vientiane VIENTIANE MAI in Lao 27 Oct 86 p 1] 9884/12851

VIENTIANE MILITARY RECRUITMENT--On 24 October a ceremony was held in the office of the administrative committee in Houa Xieng Canton, Saithani District, Vientiane Capital, to hand over 47 youth who had voluntarily awakened to take part officially in carrying out their duty toward their nation. [Excerpts] [Vientiane VIENTIANE MAI in Lao 28 Oct 86 pp 1, 4] 9884/12851

VIENTIANE TAX COLLECTION--From early June to the end of September, 30 cadres in the district revenue section under the finance section in Sikottabong District, Vientiane Capital, were able to collect enterprise taxes, salary taxes, rental taxes, profit and license taxes, and various fees. They earned a total of 8,411,231.8 kip, which was 67.4 percent of the year plan for 1986. [Excerpts] [Vientiane VIENTIANE MAI in Lao 29 Oct 86 p 1] 9884/12851



ROUTE 13 ROAD REPAIR--Vientiane, April 8 (KPL)--Since the beginning of February this year, workers of the road construction service of the southern Saravane Province have repaired 48 km of road No 13-B linking Semein and Saravane districts. The construction work includes widening the road to 8m and raising the road level by 30 cm. So far, they have already widened 15 km of the road and raised 3 km of the road level. Meanwhile, people in 10 villages of Outhoumphone District, the southern Savannakhet Province have mended 41 km of road No 13 linking Kengkabao to Sebenfai bridge. [Text] [Vientiane KPL NEWS BULLETIN in English 8 Apr 87 p 1] /8309

CSO: 4200/520

CONSTANTINO CITES OUTGOING U.S. ENVOY ON BILATERAL PROBLEMS

Quezon City ANG PAHAYAGANG MALAYA in English 3 Apr 87 p 4

[Commentary by Renato Constantino: "Bosworth's Valedictory"]

[Text]

In his farewell press conference at the NPC, Ambassador Stephen Bosworth spoke extensively but evasively on Philippine-American relations and therefore said practically nothing.

In a previous interview with Melinda de Jesus of Veritas, Ambassador Bosworth had expounded on a broad range of subjects in the same diplomatese. However, he did mention towards the last part of the interview two concrete problematic issues which should be given more attention by the leadership of this country.

When asked about the hot spots of Philippine-American relations, the American ambassador was explicit in naming two areas of possible misunderstanding.

The first is trade. Bosworth said, "The Philippines has kind of missed the golden years, in terms of the expansion of the US import market and you're going to be operating within an environment which is, incorrectly in my view but nonetheless a national inevitability, going to be focused on bringing down imports or at least limit their growth. This is going to mean that your objectives and ours are going to come to some conflict."

The American ambassador understated the seriousness of this conflict. Philippine officials should have realized by now that trade between countries is based on national self-interest. There is no room for sentiment. We cannot rely on the goodwill of American businessmen, even those who hailed the EDSA

"miracle." They will trade only on the basis of what is profitable for them as they have always done.

President Reagan has launched a campaign on behalf of American products. Diplomatic officials have been ordered to push the sales of American goods. The recent retaliatory actions ordered against Japanese exports is a case in point. We can expect no better treatment from the United States when her interests are threatened.

It is in this context that a review of our economic priorities is needed. We can no longer rely on the export market of the United States and other industrialized countries. The EEC recently imposed tariff and non-tariff barriers on our coconut oil.

Despite the affectionate welcome the President received in the United States, despite the yellow shirts and the yellow boutonnieres blooming on the floor of Congress and a yellow Cory Doll on Sec. Shultz's lapel, all of which thrilled sentimental Filipinos to the bones, the US immediately after Mrs. Aquino's departure reduced her sugar imports from the Philippines in deference to the demands of American beet and cane sugar interests.

Pending before the US International Trade Commission are cases involving imports of steel pipes and tubes from the Philippines. Then there are the apprehensions of our tuna and garments exporters because of what they perceive as discrimination against them in the US markets.

The US has warned the Philippines and other nations not to subsidize their exports but turns around and sets up a gigantic subsidy program for its own exports. US Eximbank and USAID are the main agencies implementing this program.

The United States has been most assiduous in demanding that we liberalize our imports and abandon any protectionist policies. This one-sidedness of the United States should prod us all the more to seek new avenues of economic development. We must develop our own solutions for our problems.

Ambassador Bosworth mentioned the other possible source of misunderstanding, which in his words "is in the area of expectations coming from the US federal budget. Whether it relates to bases compensation or whatever, I think we are in for a fairly prolonged period of very grave austerity in the US and that's inevitably going to affect the relationship, given the closeness of the relationship and the degree to which what we do decide in Washington has economic impact here."

The United States is suffering from severe deficits; it is the biggest debtor country in the world; it has a balance of payments deficit amounting to \$150 billion.

Thus, the US will try to provide the least amount for the maximum benefits it can derive. Mr. Bosworth already hinted that additional compensation for the bases would not be on the agenda.

Whatever assistance the US will extend, we can be sure it will extract its pound of flesh in terms of policy accommodations by the Philippine government. One thing sure, military and economic assistance will be extended primarily in pursuit of the counter-insurgency program the US is very interested in.

Significantly, Bosworth did not put the bases question on top. At his farewell conference at the Press Club, he even said that the US is ready to pull out if it is not wanted.

This statement can come only from an American official who is bluffing or already has the assurance that the bases will stay.

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CSO: 4200/548

GARMENT EXPORTERS PROTEST U.S. LEGISLATION

Manila MANILA BULLETIN in English 9 Apr 87 p 21

[Text]

The Garment Business Association of the Philippines (GBAP) issued a warning that the recent introduction of a new Textiles and Apparel Act of 1987 before the US Congress might seriously impair Philippine-American trade relations, prejudice Philippine garment exports to the US and impede the economic recovery program.

Initial studies conducted by GBAP show that the principal objective of the new bill would be to limit the growth of US textile and clothing imports from all sources to only one percent. Thus, 1987

imports under each category of textiles and apparel from all sources will be allowed to increase only by one percent over 1986 import levels and subsequently one percent each year.

Based on the Philippine garment industry's export performance for the first quarter of this year, total garment exports to the US as of March 28 amounted to \$137,417,595, or an increase of 33.46 percent over \$102.97 million for the same period last year. This accounts for more than 56 percent of the country's total garment exports for the 1st quarter of 1987.

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CSO: 4200/548

SISON TOURS EUROPE, HITS AQUINO'S NOBEL NOMINATION

Manila MANILA BULLETIN in English 10 Apr 87 p 6

[Article by Jesus Bigornia: "Sison Bites the Hand That Freed Him"]

[Text]

**I**F the Nobel Peace Prize eludes the grasp of President Aquino, she will have no one to blame. For, upon her accession to the Presidency, Mrs. Aquino freed Jose Ma. Sison, co-founder of the outlawed Communist Party of the Philippines (CPP) and his wife, Julieta, a top leader of the left-wing Partido ng Bayan (PnB), from military detention. Now, these two beneficiaries of her kindness are spreading across Europe the word: "President Aquino's image as a peacemaker is a media-produced illusion: she does not deserve the Peace Prize."

\* \* \*

At present on a 13-country lecture tour, the Sisons were quoted by the influential Norwegian daily "Aftenposten," as saying the President is a rightist politician who bases her power on the landowners and the patrician class of merchants in the towns." If the couple's adverse comments have shaken Mrs. Aquino's chances at getting the prestigious award, the Sisons have violated a well-established norm of conduct not to wash Philippine dirty linen abroad.

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CSO: 4200/548

CABINET APPROVES ACCELERATED LAND REFORM PROGRAM

Executive Order Drafted

HK241437 Quezon City BUSINESS DAY in English 24 Apr 87 p 12

[Text] A "comprehensive executive order" is being worked on for the Cabinet Action Committee to pass upon in its meeting Tuesday next week, Economic Planning Minister Solita C. Monsod disclosed yesterday although she gave no details.

Sources, however, said the draft order is for an "accelerated" land reform program.

"Although we will still pass upon the draft executive order on Tuesday, it has already been approved for recommendation to the President," Monsod said.

She noted that another draft executive order is also shortly to be presented to President Aquino to complete the land transfer requirements of Phase A of the land reform program.

Funding needs to complete implementation of Phase A of the program--involving tenanted rice and corn lands comprising 577,000 hectares--are miniscule because under the old presidential decree covering such lands, the farmers are already deemed owners of the land.

"The decree says that the rental payments of the farmers are considered payments toward ownership. The farmers have been paying rent for 15 years now," Monsod said. The remaining question then is merely that on compensation to the landowners which Phase A of the program covers, she said.

A "pilot consultation" on how the comprehensive land reform program will be implemented is set to be held at San Pablo, Laguna in preparation for at least "12 to 14 consultations in all" to be held countrywide.

"We want to see how best to structure the consultation procedures," Monsod said.

Four teams are slated to be formed to conduct the consultations, with each team having representatives from the Department of Agrarian Reform, Department of Natural Resources, Department of Food and Agriculture, the National Economic and Development Authority, and possibly the Land Bank of the Philippines, she said.

Under the Marcos regime, there was "Operation Land Transfer" as contained in PD [Presidential Decrees] 27 covering tenanted rice and corn lands seven hectares and above. As of yearend last year, only 30 percent of originally identified targeted beneficiaries received their emancipation patents, an assessment report shows.

The Aquino government has declared its commitment to accelerate completion of Operation Land Transfer for rice and corn lands by 1988.

Critics have remarked that the new government's distribution of emancipation patents to farmers on rice and corn lands is a "short-term measure and should not substitute for a comprehensive program covering other crops."

They also cited the need to provide support services to beneficiaries of land reform.

### 'Scaled Down' Proposal

HK011503 Quezon City BUSINESS DAY in English 30 Apr 87 p 2

[By reporter Michael D. Marasigan]

[Text] The Cabinet Action Committee on land reform yesterday presented to the President a "program design" of the draft executive order for the Accelerated Land Reform Program (ALRP), BUSINESS DAY sources said.

The program will need a total funding of P50 billion for the six year period 1987 to 1992 which, sources said, is a "scaled down" version of earlier proposals.

Sources from the interagency committee earlier said the ALRP's costs ranged between P60 billion and P120 billion covering programs A and B for the period 1987-1989 and programs C and D for 1989-1992.

However, the targets for the second phase were scaled down by approximately one-third which will lead to a much lower cost for the government.

The P50 billion fund which will be sourced locally and from foreign lending institutions will cover compensation of land owners and a production loan scheme called "adjustment loan entitlement program."

Apparently, the Cabinet Action Committee followed an earlier advise of Finance Secretary Jaime Ongpin to President Corazon C. Aquino to scale down the size and pace of the land reform program to limits set by available financing "which means limiting the total cost to about P50 billion."

Phase One of the ALRP will include 1.3 million hectares of tenanted rice and corn lands and 939,000 hectares of idle and abandoned, foreclosed, sequestered, expropriated lands and those voluntarily offered for the program.

Phase Two will cover haciendas, tenanted non-rice and corn areas, logged-over areas, unnecessary military and civil reservations and public lands suitable for agriculture.

Some observers cannot figure out how P50 billion could support a program which would cover roughly less than five million hectares, considering that a hectare would cost about P25,000.

However, since the program has been scaled down by a third, even the total amount of the credit support to farmer beneficiaries will drop. Also, the distribution of unnecessary military and civil reservations and public lands suitable for agriculture will entail less costs.

Earlier, the adjustment loan entitlement program, which has been called a "euphemism for subsidy" by one source, was estimated to cost about P23.1 billion. However, due to the scaled-down target, sources that it has gone down to about P15 billion.

There are three reasons why the entitlement program is required in the ALRP:

-- The transfer of ownership from the landlord to the tenant is expected to cut traditional financing between them.

-- The management of large estates by farmer beneficiaries will have to be supported by financing.

-- Lastly the new owners of idle, abandoned and public lands will definitely need fundings on a concessionary basis.

However, some members of the Cabinet Action Committee reasoned that the transfer of ownership will not totally sever the traditional financial ties between the landlords and the tenants. The same reason follows in the case of large estates to be divided among its workers.

What is to be given to farmer beneficiaries would be for their subsistence, one member of the committee said.

#### Law Possible Before Congress Sits

HK011501 Quezon City BUSINESS DAY in English 30 Apr 87 p 24

[By reporter Teodoro Y. Montelibano]

[Text] There is a "big possibility" that President Aquino will issue a law on the accelerated land reform program (ALRP) before Congress convenes, Malacanang sources said yesterday.

For one, a recent survey conducted by the Ateneo Social Weather Station showed a popular clamor for the President to issue such a law. And for another, the Cabinet yesterday approved in principle the ALRP.



The public opinion survey findings were revealed by Natural Resources Secretary Carlos Dominguez in yesterday's Cabinet meeting. The meeting was devoted entirely to the ALRP.

The survey also pointed out that 65 percent or 2/3 of total respondents would want the President to issue a law on ALRP without waiting for Congress to convene.

The same survey also indicated that 63 percent of respondents expressed satisfaction over the government's effort in working out a comprehensive land reform program. No other details on the survey were disclosed to newsmen.

In its regular weekly meeting yesterday, the Cabinet approved in principle the ALRP, Malacanang said.

Press Secretary Teodoro Benigno said, "the fact that the entire meeting was devoted to land reform underscores the vital importance the President attaches it."

Benigno said the discussion focused on how to implement ALRP and on its funding.

The six-year ALRP will cost the government P50.34 billion: P3.74 billion allotted for 1987, P7.09 billion for 1988, P10.48 billion for 1989, P9.47 billion for 1990, P9.91 billion for 1991, and P9.68 billion for 1992.

Three possible sources of funds have been identified so far: foreign borrowings, proceeds from the sale of non-performing assets and budgetary allocation.

The ALRP has four phases: programs A, B, C, D. Program A will concentrate on operations land transfer for rice and corn lands. The second phase or program B will be focused on sequestered, foreclosed and foreclosable as well as idle, voluntarily offered and expropriated lands.

The third phase will cover tenanted non-rice and non-corn lands and other estates. The last phase or program D will cover public lands.

Benigno said the government is considering a payment term of a maximum of 20 years at 6 percent interest per annum.

The Cabinet also discussed two modes of payment or compensation for landlords whose land will be purchased by the government.

One is for government to pay landlords 10 percent in cash and the rest in 6 percent tax-free Land Bank of the Philippines bonds payable in 10 years. An alternative mode calls for asset swaps under the government's program of privatization.

Benigno said program A of ALRP has a target area of 557,000 hectares with 397,856 beneficiaries; program B, 600,000 hectares with 425,000 beneficiaries; program C, 1.28 million hectares with 640,000 beneficiaries and program D,

1.35 million hectares with 675,000 beneficiaries. The ALRP will thus cover a total of 3.8 million hectares and will benefit 2.138 million small farmers and landless agricultural workers or 28 percent of 11 million agricultural workers.

In the Cabinet meeting, the President reiterated that she is committed to the program. Still, she wanted the ALRP discussed more thoroughly and refined further so that "it would be a durable project worthy of being called the center piece of the Aquino government which would go down in Philippine history as the most detailed and most successful land reform program any government in the country will attempt to undertake," Benigno quoted the President as saying.

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CSO: 4200/540

FERRER AUDIT DETAILS PERFORMANCE RATINGS OF OICS

Manila MANILA BULLETIN in English 2 Apr 87 p 8

[Text]

Local Government Secretary Jaime N. Ferrer vowed yesterday to professionalize leadership in the local units after he noted the poor performance of some officers-in-charge (OICs) in a recent performance audit.

Ferrer said he would look into the causes of the poor performance to find out if there is need to replace the poor performers.

He said the performance audit was conducted jointly by the Department of Education, Culture and Sports, the Department of Local Government, and church and civic organizations, along the following criteria:

1. Sound fiscal and personnel management.
2. Effective delivery of socio-economic services.
3. Acceptance and institutionalization of planning processes.
4. Effective compliance and enforcement of laws, rules, and regulations.
5. Implementation of programs, projects, and

policies.

Ferrer told newsmen that the survey included 1,267 of the 1,678 OICs in 73 provinces, two sub-provinces, 60 cities, and more than 1,500 towns.

Of the 1,267 OICs whose performance was appraised, 52 (70 percent) were provincial governors, 39 (70 percent) were city mayors, and 1,176 (76 percent) were municipal mayors, Ferrer said.

The local government chief said of the 52 governors, 14 were rated "very satisfactory," 29 "satisfactory," eight "fair," and one "poor."

Of the 39 city mayors, 12 were rated "very satisfactory," 20 "satisfactory," six "fair," and one "poor."

Of the 1,176 municipal mayors, 217 got "very satisfactory" rating, 644 "satisfactory," 266 "fair," 48 "poor," and one "very poor."

Ferrer said starting this year, all local government executives will be required to undergo an intensive training on local administration at

the Local Government Academy in Los Baños, Laguna.

He said the professionalization program will start shortly after the Aug. 24 local elections. The DLG has put up an academy to provide intensive or highly professionalized local administration.

The MLG chief said the academy will serve as training ground for governors, mayors, board (sanggunian) members, barangay officials, as well as DLG chiefs of offices.

"We are offering courses on local government administration and development, fiscal and personnel management, leadership training, among others," he said.

Ferrer said the academy will administer training courses to enhance administrative and technical capabilities of local executives and other officials, as well as serve as clearing house researches and studies on local government.

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CSO: 4200/548

COMMENTATOR ANALYZES WEAKNESS OF POLITICAL CENTER

Manila PHILIPPINE DAILY INQUIRER in English 3 Apr 87 p 5

[Opinion in the "Commentary" column by Belinda Aquino, visiting professor, University of the Philippines College of Public Administration: "Wehre Has the Center Gone?"]

[Text]

POLITICS is such a dynamic field, and its vocabulary is always expanding. In popular use since the EDSA Revolution is the term "Center," as well as its variant "centrist." The usage is readily understandable, because it is always made in the context of Left and Right. It is argued that the centrist alternative amounts to a "politics of consensus." It is a desirable option to the radicalism of the Left and the extremism of the Right. It is non-confrontational, non-ideological, and attempts to combine a pragmatic direction and the basic values of freedom, cooperation and unity in Philippine culture. It is the politics of moderation and harmony, as espoused by Leticia Ramos-Shahani, one of the Aquino administration's senatorial candidates on the centrist course. As such, it could serve to mediate the intensity of political conflict among the more ideologically-inclined sectors of Philippine society. It could avert polarization and articulate a meaningful program of government from the multiplicity of interests that constitute the broad center of political gravity. It would then be possible to forge a stable government that has wide popular appeal.

For all its desirability, however, the centrist concept in Philippine politics has not much had momentum since the days of the Revolution. Moreover, it is an ambiguous, if not amorphous, force. This could be due largely to the lack of a coherent ideology that could pull together the various forces on the middle road. It could also be due to lack of experience in political organizing on a sustained level. Or per-

haps there has not been as severe a crisis as the Aquino assassination or the 1986 overthrow of the Marcos regime to galvanize these forces' cohesion and strength.

In a speech before BANDILA last October, Health Secretary Alran Bengzon rhetorically asked, "What is happening to our dearly held middle ground in Chapter Two?" The question is well put, and deserves some resolution in light of the current increasing polarization of Philippine politics. The situation, it seems to Bengzon, has degenerated into a battle between Left and Right for the Center to lean their way before the national agenda could move forward. He further notes that in the Center itself, there are many opportunists and pretenders who have never really advocated people's causes. In short we seem to be sliding back to the bourgeois politics of opportunism and double-dealing. And many of the good people who were pillars of the Parliament of the Streets have gravitated to the corridors of power, where the temptations to abandon earlier ideals and dance to the resident music are always present. At the end of his speech, Bengzon urged BANDILA and other cause-oriented groups to strike out in the direction of the mass movement and "forge a strategy to allow initiative instead of passivity, clear directions instead of diffused concerns, active effort instead of reactive response."

Cory Aquino herself has not actively consolidated her "people power" political support base, and seems unperturbed by the tenuous-

ness of her ruling coalition. In a sense, she may not see the urgency of such consolidation because her personal popularity still carries the ball for the centrist direction she staked out in the beginning. But she has since then drifted to the right, even as she continues to try to balance her administration among the divergent or seemingly incompatible forces that brought it to power. The contradictions among such forces have emerged, threatening whatever viability the Aquino ruling coalition has had over the past year. These contradictions make it difficult for Cory Aquino to implement with ease some of the populist and democratic demands that were made prior to her rise to power. While not exactly comparable, one is reminded of the delicate position of Sukarno in balancing off the Army and the *Partai Komunis Indonesia* for 20 years. The position in the center is really a hot spot.

One wonders at this point whatever happened to "people power." Its embodiment, the *Lakas ng Sambayanan* (not to be confused with *Lakas ng Bayan*), counted among its ranks a broad alliance of basic sectors: workers, youth,

farmers, women, middle-class professionals, religious, etc. Cause-oriented groups and people's organizations were decisive in pushing "the logic of the majority." Perhaps it is time they re-asserted themselves. In this regard, it is instructive to look back at the *Sambayanan* manifesto of March 1986 as we confront Chapter Two of the quest for a new social order.

The *Sambayanan* said then that it advocated the new politics, "the politics of the people which relies on principles and programs, on ideals and ideas, on convictions and consensus." Also it believed that "unity is possible," and was committed to pursue "popular democracy which is pluralist and which listens to the authentic voice of autonomous people's organizations." Obviously, Cory Aquino cannot do it alone. The new politics also means that the people should seize the initiative and help her build a broad and lasting foundation for Philippine democracy.

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CSO: 4200/548

MRS COJUANGCO WARNS FAVOR SEEKERS

Manila MANILA BULLETIN in English 8 Apr 87 p 12

[Text]

Mrs. Margarita "Tingting" Cojuangco, sister-in-law of President Aquino, warned yesterday against persons who use her name and that of her husband, former congressman Jose Cojuangco Jr., in getting favors, especially from government offices.

She cited several cases, like the claim of a labor leader on the waterfront that she was trying to get him to lift their strike, when she said, she does not know this labor leader personally.

Another case, she said, was that of a lawyer, who claimed to be close to ex-congressman Cojuangco and was able to get a big sum of money from a logging concessionaire

who had a case involving right of way pending with the Department of Natural Resources. This lawyer is not connected with the offices of the Cojuangcos, as he claimed, she said.

At one time, she said, a person tried to get several passports through the Department of Tourism. Sensing that the person using the name of Mrs. Cojuangco was an impostor, a tourism official had him apprehended by the police.

The Cojuangcos explained that while they help people who are in need, they do it themselves, not through third parties. People should, therefore, beware of such third parties, especially if they ask for favors, they said. (PMY)

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CSO: 4200/548

MALAYA REPORTS ALSA MASA VIOLATIONS, SUPPORT

Quezon City ANG PAHAYAGANG MALAYA in English 2 Apr 87 pp 1, 6

[Article by Benjie Guevarra: "The Pros and Cons of Alsa Masa"]

[Text]

DAVAO CITY -- Jose Reyes (not his real name) says he was one of nine organizers of Albaka, an urban poor group, who were arbitrarily arrested, detained for several hours and roughed up by Alsa Masa members sometime in February.

Reyes recalled he and his group that included four women were on their way to a rally when they were accosted by troopers at a checkpoint manned by Alsa Masa members, in Sitio Pangi, and taken to the Regional Unified Command headquarters in Camp Catitipan where they were detained for 18 hours and manhandled by their captors.

They were accused, he said, of being urban guerillas and were being forced at gunpoint to sign confessions of their membership when acting Vice Mayor Rodrigo Duterte appeared at the headquarters and interceded in their behalf. Duterte, he said, finally convinced the military to release them and have them placed under his custody.

As he looked back to that eventful day in February, Reyes said he could not help but think how lucky they were compared to Paul Partido, a member of the League of Filipino Students.

He said Partido was gunned down by Alsa Masa members in a

comfort room of the Mindanao Aeronautical and Technical School last month.

Unlucky, too, Reyes said, were a marcher whose name he could not immediately recall who was killed and several others who were wounded when Alsa Masa members opened fire on them during a protest rally last Dec. 10. The rally was sponsored by Bagong Alyansang Makabayan.

The Pangi incident, Partido's murder and the Dec. 10 violence -- all involving cause-oriented groups -- have placed Alsa Masa, a snowballing anti-communist movement, in a bad light.

"There is no longer a dividing line between legal cause-oriented groups and the communist underground," said a spokesman for the Pro-Life Crusade, a fledgling umbrella group of about 30 cause-oriented organizations heading the campaign against Alsa Masa.

"These abuses are signs that Alsa Masa may grow into a monster and Lt. Col. Calida will find himself soon riding a tiger," the spokesman said.

The Alsa Masa members, he said, have been harassing members of Bayan and other cause-oriented groups tagged as communist fronts.

The Alsa Masa vigilantes have even torn down livelihood projects sponsored by these cause-oriented groups, such as Albaka's fishpen in Sitio Punta Dumalag and its duck farm in Sitio Palomo.

The Pro-Life spokesman also cited unconfirmed reports that the vigilantes have been asking for money from businessmen, supposedly to support their anti-communist movement.

And what's worse, he said, notorious civilian militiamen who have gone into hiding after the February 1986 revolt have resurfaced as Alsa Masa members, manning city checkpoints.

There is a general fear of a resurgence of violence, he said.

But the improved peace and order situation has divided the city's progressive blocs over the Alsa Masa issue. While certain quarters, such as Pro-Life are vehemently opposing the movement, others are giving it the benefit of the doubt.

"If there is relative peace and order, it is due to Alsa Masa," says Duterte, city chapter head of the Nationalist Alliance for Freedom, Justice and Peace, and who had opened talks with rebels at the start of the 60-day nationwide ceasefire period.

"Gone are the senseless killings, people can now walk freely at night in Agdao or in any other part of the city," he says.

He cites isolated cases of Alsa Masa violations, but notes that "they have

generally been able to maintain discipline among their ranks up to now."

Duterte and other political and business leaders trace the fall of the urban guerilla movement here to the ascension to power of President Aquino and the rebels' taxation scheme.

With the ouster of former President Marcos, and the belief in the sincerity of President Aquino, he says a majority of the people here feel no need to support the rebels. A businessman who had earlier supported the rebels says that "before, we gave financial support to the rebels, but if we do it now, it means that we are against the Aquino government. With the fall of Marcos, we no longer have a common enemy."

Duterte also says that "the rebels should have limited their taxation to big-time businessmen instead of covering residents from the depressed Agdao district who can barely make both ends meet."

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CSO: 4200/548



# KALINGA-APAYAO NPA SLIPS THROUGH MILITARY NET

Quezon City ANG PAHAYAGANG MALAYA in English 2 Apr 87 pp 1, 6

[Article by Vittorio Vitug]

[Text]

Hundreds of communist rebels, earlier surrounded by two battalions of government troopers in their hinterland lair in Paco valley, Kalinga-Apayao, have slipped through the military net, Defense Secretary Rafael Ileto said yesterday.

Ileto told newsmen that no casualties were reported on both sides in the biggest military-initiated counter-insurgency operation since the ceasefire collapsed last Feb. 8. He hailed the operation as a "good exercise" for the troopers.

The military deployed over the weekend 2,000 troopers, backed by helicopter gunships and T-28 "Tora-Tora" bomber planes following intelligence reports of a heavy concentration of rebels in the Paco Valley. The rebels were said to be holding a top-level plenum. Prominent personalities in the Communist Party central committee as well as in the regional level were said to be present.

Troopers found the communist camp in the valley totally abandoned, Ileto said.

"This means that they (the rebels) can hide faster," Ileto said.

Nevertheless, Ileto added that tactically, the military gained something since it was able to disrupt the operations of the rebels. He said that, henceforth, the military will always take the initiative against the rebels and always keep them on the run.

The Kalinga operation will continue, Ileto said, adding that it is still possible for the government to catch up with the fleeing rebels.

The Concerned Cagayanos for Justice and Peace, a human rights organization based in Tuguegarao, Cagayan, expressed the fear Wednesday that the recent bombings of Kalinga-Apayao town might lead to the genocide of tribal Itnegs and Negritos living in the area.

Joseph Bautista, CCJP secretary-general, told *Malaya* the military action endangers the survival of the civilian population as "bomb attacks do not discriminate between civilians and rebels."

## BOMB ATTACKS

He said the recent bomb attacks on the Kalinga-Apayao towns were a culmination of a military buildup that started more than a month ago.

Residents of Cabugao, Conner and Luna towns in Kalinga-Apayao have reported almost daily artillery and mortar bombardment usually accompanied by rocket attacks from helicopter gunships since February, Bautista said.

Eleven barrios in Paco Valley alone have been evacuated and 12 persons have been reported killed as a result of military operations along the boundaries of Kalinga-Apayao and Cagayan, another human rights group said.

The 500 people reported trapped in Paco Valley are most likely civilians, the group said.

The current area of intensive military operations is populated mainly by Itnegs and Negritos, minority tribes engaged in hunting and gathering forest products.

The Itnegs occupy the northernmost portion of the Cordillera mountain range. They comprise the majority ethnic group in Cabugao, Calanasan, Tudtol, Luna, Flora and Sta. Marcela towns in the subprovince of Apayao.

## NEGRITOS

The Negritos number 1,740 and occupy the forest areas of far northern Cagayan and some portions of Luna.

The CCJP said an economic blockade has been imposed since Feb. 12 on Lassam, Cagayan, a boundary town, by a combined force of the 17th Infantry Battalion and the Philippine Constabulary. This operation involves "the forcible groupings in school buildings were some 80 children were reportedly used as shields by the government troopers," the CCJP said.

A continuous unloading of war materials and supplies at the Tuguegarao airports had been noted by residents of the capital since March 29. Four Tora-Tora planes, three Sikorsky and two Huey helicopters were reportedly armed and refueled that day.

The CCJP urged that military operation and indiscriminate bombings be stopped to allow the civilians to live normal lives. — **Cooper Resabal**

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CSO: 4200/548

PAMPANGA CHDF FEARS NPA RETALIATION IF DISBANDED

Quezon City ANG PAHAYAGANG MALAYA in English 2 Apr 87 p 7

[Text]

SAN FERNANDO, Pampanga (PNA) -- About 1,000 Civilian Home Defense Force members in Pampanga are planning to evacuate their homes in preparation for the planned disbandment of the militia.

Amando Santos, president of the 15 militiamen in San Fernando and spokesman of the 952 CHDF members in Pampanga, has sought the assistance of the Constabulary in providing them and their families with temporary shelter once they are disbanded and disarmed.

The new Constitution provides for the disbandment of militia units, including the CHDF.

According to Santos, most CHDF members are willing to abandon their farming jobs and other livelihood activities rather than be killed by communist rebels whom they have been fighting for years.

Rosario Yalong, barangay captain and CHDF team leader in Lara, San Fernando, said he, his militiamen and their families fear for their lives should they continue staying in the barangay after their group is disbanded.

Santos and Yalong expressed hope that concerned authorities

would implement the constitutional provision to disband the CHDFs on a case-to-case basis.

President Aquino has instructed Defense Secretary Rafael Ilete and Local Governments Secretary Jaime Ferrer to conduct a study and submit their recommendations on the CHDFs on or before April 30.

Earlier, AFP Chief of Staff Gen. Fidel V. Ramos said paramilitary forces would be converted into "something else" and would not be immediately disbanded. He said that the government would provide a transition period to convert the CHDF into civilian security units under the provisions of the new Constitution.

Ramos also said that the government program on the CHDF would not allow the creation of a vacuum that would endanger the security of the people in the barangays.

Out of the 21 towns in Pampanga, 18 have CHDF detachments manned by 952 militiamen armed with armalites, carbines and Garands.

Santos said the Pampanga towns with CHDF detachments have not been infiltrated by communist rebels.

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CSO: 4200/548

CEBU CHURCH, BUSINESS SPOKESMEN SUPPORT PARAMILITARY

Quezon City ANG PAHAYAGANG MALAYA in English 3 Apr 87 p 7

[Text]

CEBU CITY (PNA) -- Cebu church and business leaders yesterday declared their support for paramilitary units to combat communist insurgency in this central Philippine island.

Msgr. Jose Borces, regional peace negotiator and member of the regional reconciliation and rehabilitation program for rebels, in a conference with high-ranking military commanders at the "Kapihan" of the People's Information Center said the Church would support the strategy but only to the point that the law would allow.

He said these paramilitary men must be properly screened and trained and made accountable for their acts.

He was replying to the announcement of Brig. Gen. Romulo Querubin, RUC chief, that he was assuming full responsibility for all paramilitary acts.

Cebu Chamber of Commerce and Industries president, Felipe Tiongeo said the business community did not bother itself with insurgency but that it now had involved itself because business was being hurt.

Meanwhile, Querubin said the Civilian Home Defense Force had been reduced and might be altogether scrapped depending on developments in the anti-insurgency campaign on the island.

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CSO: 4200/548

OVER 2000 EX-REBELS REPORTED IN RETURN CENTERS

Manila MANILA BULLETIN in English 3 Apr 87 pp 1, 14

[Article by Marcia C. Rodriguez]

[Text]

A total of 2,160 rebel returnees are now being served in 65 "bayanihan centers" nationwide and some 4,300 more are expected to surrender, Social Welfare Undersecretary Karina C. David said yesterday.

The 4,300 rebels, who are still in hiding, have reportedly sent surrender feelers through contacts to bayanihan centers. Of this number, 3,000 are in Davao City and Davao del Norte.

David said President Aquino has approved the initial release of P1.8 million for the rebel returnees' program and the Department of Budget and Management assured that P10 million more will be given out this week for the program.

As of March 31, the Department of Social Welfare and Development (DSWD) had served six rebels in Region 1, 18 in Region 2, 13 in Region 3, 15 in Region 4, five in Region 5, 981 in Region 6, 682 in Region 8, eight in Region 9, 16 in Region 10, 399 in Region 11, and 19 in Region 12.

A program has also been set up in Metro Manila although its exact location was withheld for fear that rebels from other regions may swamp this center.

Rebels in Metro Manila who want to surrender were advised to go to the DSWD National Capital Region office on Legarda St., Manila.

Funding for the rebel returnees' program had been delayed for almost a month after the cen-

ters were launched. The DSWD had reportedly used its internal funds for the meantime.

The funds, David said, will be used to upgrade the facilities of the centers, such as beds and cooking equipment, and materials used in skills training program. Only 45 of the 65 centers are fully operational while the others still have to be upgraded, she said.

The DSWD had initially expected to serve about 5,000 rebel returnees for the first year, but almost half of the target has been met during the first month.

About P76 million has been earmarked to the DSWD for the rehabilitation of rebel returnees for 1987. About P30 a day is spent for every returnee served in centers.

David said the rebel

returnees will stay for at most two months at the centers until their program plan has been readied and approved.

They are then integrated back to their own communities or relocated if their security is threatened.

David noted that the rebel returnees are not given special treatment over other regular clients of the DSWD, except that they are given safe conduct passes and their application for amnesty are processed.

The acceptance of the government's rehabilitation program for rebel returnees as a counter-insurgency measure will depend on how the government addresses the root causes of insurgency, implementation of social programs, such as land reform, and protection of human rights, David said.

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NPA, NDF SPOKESMEN ON ALSA MASA, REBEL REASSESSMENT

Quezon City ANG PAHAYAGANG MALAYA in English 3 Apr 87 pp 1, 2

[Article by Benjie Guevarra: "Alsa Masa and the LIC Strategy"]

[Text]

DAVAO CITY Leaders of the National Democratic Front and the open left have expressed fears of the outbreak of a "mini civil war" in southern Mindanao before the end of this year unless the spread of the Alsa Masa and other anti-communist vigilante groups is checked.

They view the Alsa Masa phenomenon as part of the low intensity conflict strategy, hatched by the US Central Intelligence Agency to combat communism through "proxy wars" in the Third World.

Learning from its errors in previous direct military intervention drives, the US government, say the leftist leaders, has opted for covert support to right-wing civilian groups in an effort to restore US-flavored democracy in underdeveloped countries like the Philippines.

Reeling from the widely perceived setback in the face of the Alsa Masa propaganda blitz, rebels say they have not been driven out of their city stronghold but have merely decided to strategically "lie low," reassess their organization and map out an anti-LIC campaign.

Crisanto Salas, spokesman of the NPA Operational Command for Southern Mindanao, traces the recent developments to their dis-

covery in late 1985 that deep penetration agents of the military, popularly known as "zombies," have infiltrated their ranks.

"DPAs have successfully influenced most of our strategic organizations, maneuvering mock surrenders, committing grave abuses on peasants and unexplained arrests and liquidation of some comrades," Salas says, giving rise to public opinion that "the NPAs have become what the fascist AFP is."

Efforts to hold on to their gradually diminishing public support led to what the NPA leader describes as an "effective cleansing of our ranks" through the killing of hardcore zombies. But he denies NPA responsibility for over 100 bodies exhumed from alleged NPA "killing fields" whose coffins were paraded here last week by the Metrodiscom chief, Lt. Col. Frank Calida, and thousands of Alsa Masa vigilantes.

"The NPA accepts responsibility for the liquidation of some elements tried and proven beyond doubt as guilty of grave offenses against the people," Salas says, "but to hold us responsible for the remains of people stockpiled at the PC barracks is an obnoxious lie. In reality, most of these victims are our genuine comrades who have been secretly liquidated by DPAs."

### LYING LOW

Far from a complete withdrawal of rebel troops, an NDF spokesman says that most of the hardcore insurgents

not known to the vigilantes are just "lying low" and may even be posing as rabid Alsa Masa supporters.

"They are simply consolidating their ranks in the wake of the NPAs and the aborted peace talks with the government and examining the Alsa Masa phenomenon in the broader context of the LDC," he says.

The spokesman says that Roy Ponsa and his six comrades who joined Alsa Masa in May last year were not genuine rebels but DPAs who thought of the "peace" defection" and the NPA purge. With the military gunnery clan executed and the "rebels" nowhere to go, he said, they decided to regroup as "rebels" supposed to fight insurgency with the help of the people.

The rebels are just biding time, waiting for the opportunity to regain public sympathy by fighting the armed vigilantes when they start committing widespread atrocities like what members of the Civilian Home Defense Force did in the past, leaders of the Left say.

The people are just supporting the armed vigilantes out of fear, the rebels say in the same way that Alsa Masa members say that the NPA were able to earlier consolidate their mass base by sowing fear and terrorism.

"A mini-civil war will explode here once that scenario unfolds," said lawyer Laurente Ilagan, a congressional candidate of the Partido ng Bayan for the first district which covers a big portion of the Agdao area.

### 'DAVAO THREE'

Ilagan, one of three human rights lawyers known as the "Davao Three" who were detained from May 1985 up to February last year on rebellion charges, says that the vigilantes may be used as private armies of candidates now negotiating to win their favor.

Underground sources say that the congressional candidate said to be backed by the CLS has been extending financial support to the Alsa Masa while several others are trying to woo the movement's support by negotiating with a businessman close to Roy Ponsa.

"They are not ideologues but plain mercenaries," says the NDF spokesman who claims that in a recent talk with Ponsa congressional candidate, vigilante leaders were asking P10,000 a week in exchange for allowing the left-leaning bids to campaign freely in Agdao.

### BLOODY POLLS

The May polls will likely be bloody, says the NDF official who points out that there are 17 congressional candidates in the first district here alone.

"Just imagine what will happen if the Alsa Masa will openly support one candidate at the expense of the 16 others," he says.

To several businessmen here, the key will be how Calids can effectively police his vigilantes and prevent them from losing public confidence.

"Having exploited the same situation which has enabled the rebels to gain support, they should be wise enough not to fall prey to the errors of the urban guerrilla experiment," a lawyer says.

EDITORIAL CITES CAPCOM CHIEF DOUBTS ON NPA, POLICE DEATHS

Quezon City ANG PAHAYAGANG MALAYA in English 3 Apr 87 p 4

[Editorial: "A Dangerous Tendency"]

[Text]

The apparent haste with which Malacanang endorsed police crackdown on suspected NPA hideouts in Metro Manila could further complicate, rather than mitigate, the peace and order condition in the metropolis.

Worse, the move could unnecessarily embolden the metropolitan police forces into assuming a new role as Red hunters at the expense of the people's basic human rights. As press reports of the most recent raids indicate, some of the houses raided were not covered by the usual search warrants. In addition, police raiders were unable to show proofs that the arrested persons or those who have been killed in alleged shootouts were indeed members of the NPA Sparrow Unit.

It should be interesting to note that no less than the commanding general of the Constabulary Capital Command (Capcom), Brig. Gen. Alexander Aguirre, expressed doubts that all the reported slaying of metropolitan cops by armed men were perpetrated by NPA armed city partisans. Indeed, it is quite possible that some, if not most of these killed policemen, could have been done in by ordinary criminal elements or underworld syndicates actively operating in Metro Manila.

Every decent member of society certainly has every reason to be appalled by the spate of killings of our law/enforcers. But this should not be an excuse to unleash the full fury of the police forces at the expense of the people's basic human rights.

For a populist government that prides itself of its avowed respect for the rule of law and human rights, such reckless and unqualified endorsement of the police crackdown in the metropolis at the expense of innocent civilians betrays a dangerous tendency reminiscent of the hated Marcos dictatorship.

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BIGORNIA: NDF SUPPORTS 3 LAKAS NG BAYAN BETS

Manila MANILA BULLETIN in English 13 Apr 87 p 6

[Article by Jesus Bigornia: "NDF Supporting 3 Cory Bets in Senate Race?"]

[Excerpt]

**I**N the rebel-infested areas of Quezon province, the communist National Democratic Front (NDF), in concert with New People's Army (NPA) guerrillas, are actively campaigning for the election of "sympathetic" senatorial candidates of the administration. Three Lakas ng Bayan bets, namely, former ministers Rene Saguisag and "Bobit" Sanchez, and former customs commissioner Wigberto Tañada, have been singled out as favored by the communist rebels. In the Bondoc peninsula hinterlands, it is reported, NDF cadres have approached barrio leaders to campaign not only for the Partido

ng Bayan ticket but also for the three Laban aspirants.

\* \* \*

Endorsement by the political and military arms of the Communist Party of the Philippines (CPP) is a double-edged sword. Minimal gains garnered in the hinterlands could be swamped over by potential losses suffered in population centers. For it is no secret that the communist taint turns off most Filipino voters. And wherever they are allowed to vote in secret, there is hardly any question that professed leftists will be scratched out of the voters' lists. Naturally, the three Lakas bets who have previously denied any ties to the communist movement here can have no way of stopping anyone, including leftists, from campaigning for them.

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LOPEZ FAMILY TARGETS DBP BANK DIVESTMENT

Quezon City ANG PAHAYAGANG MALAYA in English 2 Apr 87 p 9

[Text]

The Development Bank of the Philippines (DBP) will divest its P203 million shareholdings in the Philippine Commercial International Bank before the end of this month, DBP chairman Jesus Estanislao told **Malaya**.

Estanislao said the Lopez family, which of late has expressed the desire to raise its stake and control in PCIBank, has approached DBP for the possible buyout of the DBP's holdings.

The Lopezes are also reportedly eyeing the P60.12 million shares in PCIBank held by the sequestered Trans-Middle East Philippines, a company allegedly owned by Benjamin "Kokoy" Romualdez, brother-in-law of deposed President Marcos.

Aside from the Lopezes, Estanislao said there are other parties interested in buying DBP's shares in PCIBank, adding DBP would sell its share to the group

that makes the best offer.

At present, he said DBP is studying the best way of divesting from PCIBank consistent with the prevailing prices of the universal bank's shares in the stock exchanges.

DBP's holdings in PCIBank are the only profitable investment out of its equity holdings in other financial institutions, which include Associated Bank, Pilipinas Bank, Producers Bank, Republic Planters Bank and more than ten development banks.

However, DBP is speeding up its divestment from PCIBank as part of its commitment with the World Bank to get out of private sector investments within the next three years.

DBP is the single biggest stockholder of PCIBank, accounting for 17 per cent or P53.4 million voting common shares and 38.17 per cent or P150 million preferred shares.

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CENTRAL BANK REQUIRES FOREIGN DEBT DEPOSITS IN PESOS

Circular No 1138

Manila MANILA BULLETIN in English 8 Apr 87 p 21

[Text]

The Central Bank yesterday asked the national government and 14 non-financial public sector corporations to deposit in blocked account with the CB the peso equivalent of their foreign exchange obligations which are subject to rescheduling under the recently-concluded restructuring agreement with creditor banks.

CB Circular No. 1138 was issued yesterday and was to take effect immediately.

Covered by the circular, aside from the national government, are the following 14 non-financial public sector corporations:

Philippine National Oil Company, National Power Corporation, National Electrification Administration, National

Irrigation Administration, Local Water Utilities administration, Export Processing Zone Authority, Philippine Ports Authority, National Food Authority, National Housing Authority, Light Rail Transit Authority, Philippine National Railways, Metro Manila Transit Authority, National Development Company, and Metropolitan Waterworks and Sewerage Authority.

The CB said that the national government and the 14 corporations should deposit with the CB the peso equivalent of the principal amortizations, interest and penalties, if any, on their foreign exchange obligations to commercial banks maturing during the period Jan. 1, 1987 to Dec. 31, 1992, which

are subject to rescheduling.

The peso deposit, according to the CB, shall be made on the date of the original maturity and computed on the basis of the foreign exchange rate prevailing on the date of deposit.

For foreign exchange obligations that are still maturing, the peso deposits should be made not later than June 30, 1987.

According to the CB, forward exchange cover will be extended by the CB on the foreign exchange liability for which the peso equivalent has been deposited.

It added that all foreign exchange obligations which are not subject to rescheduling will be settled as they fall due.

Circular No 1139

Manila MANILA BULLETIN in English 8 Apr 87 p 21

[Text]

The Central Bank directed yesterday all borrowers with debts subject to the Paris Club restructuring agreement signed last January to deposit the peso equivalent of 100 percent of the principal amount and 70 percent of the interest on the loans in a blocked account with the CB.

The order was contained in Circular No. 1139 issued yesterday and effective immediately.

The CB said that debts incurred in connection with the construction of the nuclear power plant in Bataan and those of government financial institutions which have been assumed by the national government are excluded from the requirement.

According to the

CB, on the peso deposit equivalent required to be placed in the block account will be computed based on the prevailing CB selling rate at the time the deposit is made.

Upon delivery of the pesos, the CB said it will provide forward exchange cover for the restructured debt equivalent to the amount of pesos deposited with the CB converted at the prevailing exchange rate.

The forward cover will be provided to the authorized agent bank for the account of the original borrower of the loan. However, the foreign liability will remain with the original borrower until signing of the bilateral rescheduling agreement. The obligor in the bi-

lateral agreement then assumes the foreign liability.

All payments due official creditors not subject to the rescheduling and have fallen due and not paid shall be made as soon as possible and, in any case, not later than March 31, 1987, the CB said.

The CB said that the interest and foreign exchange risk will be for the CB's account to the extent of the pesos delivered from the date of delivery to the date of payment.

The CB will assume the interest provided for in the bilateral restructuring agreement on the debt covered by the peso equivalent and accruing from the date of deposit to date of payment.

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## THAILAND

### MONK SPEAKS OUT ON POLITICS, FARM POVERTY, BUSINESS

Bangkok MATICHON SUT SAPDA in Thai 29 Mar 87 pp 6-8

[Speech by and interview with Phra Udonkhanaphirak (Kittiwuttho), the director of Chittaphawan Withayalai. Speech made at Sinakharinwirot University, Bangsaen, on 20 March]

[Text] The following speech is excerpted from a debate on the topic "The Present Economic Situation and the Unemployment Problem." The remarks were made by Phra Udonkhanaphirat (Kittiwuttho) at Sinakharinwirot University, Bangsaen, on 20 March on the occasion of the 6th National Labor Fair.

Japan is very strong economically because the country's leaders have always lauded the farmers. But our economy is very weak. Every year that there is a drought, the farmers migrate to the city. Many sleep at the Hualampong railroad station. The Hualampong railroad station is always very busy whenever there is a drought in the northeast. People move from the northeast to the central region in search of work. Some go to the south. This affects the economy in general. Thousands of types of goods can't be sold, because the farmers form the bulk of the country's population and they don't have the money to buy these goods.

Thus, to solve the country's economic problems, we must start with the farmers. If we can solve the problems of the farmers, if we can solve the rice problem, we will be able to solve many of the other economic problems.

Today, the majority of those who come to Bangkok looking for a job are the children of farmers. Most of the laborers working in Bangkok on road construction projects and so on are people who have abandoned their farms. Most of the girls working in the textile plants and other factories are the daughters of farmers. The same is true of the girls who work in the massage parlors. Some people have gone abroad to find work. Farmers from the northeast and north have abandoned their farms to find work in Europe. They can't earn enough by farming and so they have to do this.

Near Bangsaen, whenever American warships dock at Phataya, girls from every region flock there to earn some money, and all of them are from farm families.

This shows that we have not given real attention to the problems of the farmers.

We have a government that announces policies like a parrot. The people in charge say the same thing over and over, that is, "we sympathize with the poor people." Everybody says that and talks about policies to eliminate poverty in the rural areas. The policies sound very nice, but no one ever takes resolute action and so the problems are never solved. These problems just keep piling up. They have had an effect on morals and religion, too.

There has never been a time in which the clergy has experienced difficulties, such as temples being robbed and monks being killed. That never happened in the past. Religion was always spared. In the past, no matter how poor they were, the people, who were Buddhists, never did anything to harm their religion. But now, people no longer make an exception of religion. They rob and kill monks. Why? To steal a little money to feed themselves. This is the problem of poverty.

I think that these problems must be solved at the root. The most important question is, what can be done to provide the majority of the people with an adequate standard of living? We have to solve the problems facing the farmers. I have been thinking about this for a long time. This is not my responsibility. Because normally, I have other work to do. But ever since the middle of last year, I have had to work on this. I have been criticized by people who do not feel that monks should become involved in this. I want people to know that this is something in which monks should get involved. It's just that monks have not been involved in this for a long time now. They were during the lifetime of the Buddha. But by chance, Thailand was a very fertile country and so monks did not lack food. Monks did not think about this. But today, there is a lack of food and so monks must start thinking about the farmers.

I am very concerned about something that happened in the northeast. There was a drought one year and the farmers couldn't grow any rice. The monks abandoned the temples. Normally, the temple is the center of rural society. The people can rely on the temple. But these monks abandoned their temples and went to find wealthier temples. When I asked them why they had left their temples, they said that there was nothing to eat. The people refused to abandon the land, but the monks abandoned the temples. The temples were left deserted. During the Sonkran festival, the people came to make merit. By chance, I happened to be visiting a temple there. There were many people in the pavilion. They were carrying bowls of food. But there were no monks present, only Buddha images. The people sat there in acceptance of the Buddhist teachings, prayed, and made offerings. They sat there for awhile looking at the food and then began eating.

The people said that they didn't know what to do. They couldn't find any monks to stay there. No monks would come to live there even though the temple had all the necessities. Some places had to hire monks for the Lenten season. They had to pay a naktham [elementary religious education] first-class monk 1 kwian of paddy [1 kwian equals 2,000 liters], a naktham second-class monk 2 kwian of paddy, and a naktham third-class monk 3 kwian. A parian monk [Pali educated]

was given a little more. Where did this paddy come from? It was donated by the villagers. Government officials don't know about this. But I am a monk and so I know.

The problem must be solved at the level of the farmers. What can be done to improve the farmers' standard of living? We have to determine why the farmers are poor. The farmers are poor because certain groups of people feed off the backs of the farmers. They become rich from the suffering of the farmers. There are four main groups. First are the owners of the rice mills. Second are the banks. Third are the middlemen, or "yong" as they are called. Fourth are the rice exporters.

It's strange that the farmers, who grow the rice, don't have any rice to eat. When I helped in Chonburi, I went about personally. I told people that the rice belonged to the farmers and that they didn't have to buy from the middlemen. The farmers told me about their problems. They grow the rice and then have to send all of it to others. They have to buy rice to eat. One gunny bag of rice costs them up to 30 tang [1 tang equals 20 liters] of paddy. And interest rates are very high. They don't have anything left.

Looking at the farms, the youths lose all hope. And so when the children grow a little older, if there is any other way to make money, they leave. Only the elderly are left to take care of the farms. The young people go to Bangkok to find work. Those who are lazy and who don't really want to work become pimps and so forth. Some people don't know what to do. Some turn to crime. They steal and rob. This becomes a social problem.

Eighty-five percent of the farmers are poor. How can there not be unemployment? But actually, Thailand needs many laborers. If our farmers don't give up all hope and they grow crops and are paid a fair price, the unemployment problem will be solved. There won't be enough laborers. This can be seen in the case of those who grow sugar cane, cassava, and even some rice farmers. If a farmer grows much rice, during the harvesting season he may have to pay a lot to have people come in and harvest his rice. In the past, people harvested rice for 100 baht per rai. Now it is 200 baht per rai. There is a great shortage of labor in the agricultural sector.

But unemployment is very high in the cities. Many college graduates are unemployed. Why? Because of the lack of planning in the educational sector. Those in the educational sector don't have any definite targets in producing graduates. They don't know what jobs they are training people for. Thus, unemployment among graduates has skyrocketed. Many people have earned their bachelor's and master's degrees, but they can't find jobs. There are job openings but these people can't apply for them because the education that they received was not in accord with market needs. This is a chronic problem. It has not been given the attention that it deserves.

I once told some graduates that they didn't need to go anywhere to look for a job. I told them that they should become farmers. They got a terrible look on their faces, because Thai society looks down on farmers and views farming as a

low-status occupation. From now on, we must tell people that no other occupation is as good as farming. We must tell them how honest and wholesome this is.

It is very easy to prevent the farmers from being exploited. It is easier to estimate the price of rice than any other type of good. Because everyone eats rice. The rice problem is just a minor problem. It is not a major problem. The problems that I solved this year were just minor matters. All I ask is that people do things honestly and resolutely. If they do, the problems can be solved. I have had to show people that it is not difficult to solve the problems. You know the results. I ask for just 1 more year. Rice will no longer be an issue, and the economy will be much better. Thus, if you do not have a job, I suggest that you turn to farming.

[Question] How far along is the program to raise rice prices and what results have been achieved?

[Answer] Rice prices have improved. But I would like them to go up a little more. In particular, I would like to see the price of 5-percent Jasmine rice reach 4,000 baht per kwian. It's now at 3,500 baht. As for the 15-percent rice that we refer to as "phuang" rice, it is now selling for 2,800 baht per kwian. The price should be 3,000 baht.

[Question] Will you continue things next year?

[Answer] We must. We should be able to solve the rice price problem.

[Question] What progress has been made in establishing a mass company and using the temples as base?

[Answer] We don't plan to use the temples as a mass company. We want to use the religious system to solve the economic problems. That is, the temples will serve as bases, as centers where the people can join together and carry on things without having to go through the middlemen. The temples will serve as bases and as places of support.

[Question] How much has been done?

[Answer] We are carrying this out now. Much progress has been made. We are now building rice mills. By the beginning of April, there should be 600 mills located in various temples. Each subdistrict will have one mill. The mills have a capacity of 5 kwian and 2 kwian per day. This will be an industry within the farming community. The farmers have been poor for so long because they earn money only once a year. But from now on, the farmers will earn a regular income. That is, after they harvest the rice, they will mill the rice themselves. This will be a cottage industry.

[Question] How successful do you think this government has been during the past 6 months, particularly on the economic front?

[Answer] I don't know about other fronts, but as far as rice is concerned, the government has done a good job this year. There have been a few losses, but

that is normal. There are moral problems. For example, in pledging rice, some places may pledge air. They may not have any rice. This is common. But the policies have achieved good results. They have been beneficial.

[Question] What about results in general?

[Answer] Don't ask me to comment. I am not in a position to comment on those things.

[Question] There has been criticism about corruption among ministers and incorrect policies. Do you think that religion or moral principles can be used to solve these problems?

[Answer] I think that people's minds and moral principles have to be improved. We should not use the words "play politics" in referring to politicians who have voluntarily entered politics. We should say that they are doing political work. They should be honest. Those who do political work must sacrifice everything for the country. They should not get involved in order to profit personally. Today, many are interested only in how they can profit. If this continues, the country will collapse. They should work to improve the country.

[Question] What do you think about the criticisms that the RTA CINC (Gen Chawalit Yongchaiyut) has leveled against the politicians?

[Answer] What he has said is correct. He has spoken the truth. This has shaken some corrupt people. But the honest people haven't raised a hue and cry about this.

[Question] The RTA CINC wants to carry out a revolution. Do you think that he is right in using such language?

[Answer] From what I understand, he means that we must improve everything. Whatever is not right must be corrected. This is probably what he means. Revolution here does not refer to soldiers seizing power. I have said that in the future, it will not be the military that stages a revolution. It will be the farmers who will stage a revolution if the government does not do the right thing. But the word revolution as used by the Buddha refers to improving things.

[Question] Does that mean that you agree completely with what the RTA CINC said?

[Answer] Yes.

[Question] How can a revolution be carried out?

[Answer] We must join together. If we want to improve things, we must work together and help each other. Every sector must cooperate. As for the revolution that must be carried out today, something must be done to get the farmers out of debt.



[Question] There have been reports that Chittaphawan Withayalai will establish a private college. Would you tell us about this?

[Answer] I proposed this several years ago. But I have not pushed hard for this. Few youths have a chance to receive a higher education. One of my goals is to produce graduates who can serve society instead of graduates who just have a piece of paper. We must stress moral principles. We need knowledgeable people with good moral qualities who can serve society. There is enough land left here to open a vocational school. I have already submitted the matter to the Office of State Universities.

My dream is to establish a Merchant Marine Faculty. I don't mean merchant marine administration. I am referring to teaching students how to operate ships and how to build and repair ships. There is a great need for people with such skills. But so far, nothing has come of this. We have to obtain permission first. Things must take shape first and then we will gradually establish such a faculty. We have already prepared a curriculum.

[Question] Have you obtained permission from the Office of State Universities yet?

[Answer] Not yet. I would like to know what the Office of State Universities is doing. It holds two meetings a year. When it comes to producing graduates, things are already sluggish. People have little hope. The college will be established at Chittaphawan. Another may be established at Withayalai Khanasawat. But no progress has been made.

[Question] How much money will be invested in this?

[Answer] I have already invested almost a billion baht. Everything is ready. We are just waiting for permission. I have hired personnel. We do things through nonprofit foundations. We want to produce graduates to serve the country. There will be at least five fields, including agriculture. It will be a university. But I can wait.

[Question] What is your opinion on forging documents in order to be granted decorations?

[Answer] I am not interested in that. But I would like to say that when people have money, they want to be honored. This isn't anything to worry about. They should try to make merit. If that's what they want, fine.

[Question] But these people have not made donations.

[Answer] They have made donations but not the full amount. We have stipulated rules on how much must be donated. Normally, the monks don't know. Don't blame the monks. It's usually the laymen who do this.

[Question] Do you think that legal action will have to be taken?

[Answer] That day, I met Mr Marut (Mr Marut Bunnak, the minister of education). He said that he would like to stop this. I told him not to.

Because this encourages people. It's like a rank of nobility. Let's continue with this. This is what our social system is like. We have a king. The king should give awards to people like this. The farmers should be decorated, too. The farmers have never gotten to wear a sash. I think the farmers should be given sashes, too.

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REPORTER CATEGORIZES KPNLF WEAKNESSES

Bangkok BANGKOK POST in English 3 Apr 87 p 4

[Article by Jacques Bekaert]

[Text] "GREAT atmosphere of unity"... "no more problems"... "warm exchange of views"... "complete brotherhood." Obviously the Khmer People's National Liberation Front feels better. Since December 1985, bitter words and accusations had been traded by the two factions of the Front. Not any more — if those few sentences, picked up from recent KPNLF bulletins and communiques are of any significance.

The rebellion of a large faction of the military branch of the Front against the authority of President Son Sann deeply disturbed supporters and sponsors of the Front. China especially resented this public exposure of internal problems. Peking did not like to see trouble endangering the credibility of one of the components of the anti-Vietnamese coalition.

There has been a lot of pressure on both Mr Son Sann and General Sak Sutsakhan, the leader of the dissident, to patch up their differences before it was too late. Because there is no doubt that the internal conflict at the end was seriously challenging the very future of the organisation.

So, "for the time being at least, the two men get along better," a Western diplomatic source said. Mr Son Sann agreed to recognise Gen Sak as commander in chief of the KPNLF Armed Forces (KPNLAF) and by doing so regain some of his own power. Some sponsors apparently told the president that if Gen Sak Sutsakhan were forced to leave, the entire movement would fall apart; and that finally, a reconciliation was in Mr Son Sann's best interests.

So, on February 16, 1987 a big ceremony took place at the new general headquarters of the KPNLAF, a "secret military base" along the Khmer border. Mr Son Sann attended with the Front's secretary general, Neang Chin Hean, KPNLF "minister of defence" in the coalition government, Im Choodeth, Mr Son Soubert. They were met by Gen Sak Sutsakhan, the new chief of Staff, ex-major general Pok Sam An (a friend of Gen Sak, recently arrived to join the Front) and Dr Abdul Gaffar Peang Meth, whose official title these days is "assistant to the commander in chief in charge of coordination and public relations." Dr Gaffar, assiduous KPNLF watchers will remember, was one of the personalities Mr Son Sann had wanted to sack from the organisation.

Also present was Gen Dien Del, the man largely responsible for the birth of the KPNLAF (March 1979). A former chief of the general staff, Dien Del, after three months in the monkhood, is back as deputy commander in chief.

These personalities witnessed the presentation of unit flags to the troops, attended the graduation ceremony for the cadets of Class 7, "Tonle Sap" and visited the new headquarters.

The ceremony was widely reported by the KPNLAF bulletin, published "by the office of the commander in chief," in other words, by those who used to be the dissidents. The bulletin explains that "the KPNLF president and his suite left the KPNLAF general

Staff headquarters... leaving behind memories of togetherness, brotherhood, and love."

Already, on January 18, a communique had been distributed by the pro-Son Sann side of the Front claiming that "the internal crisis was over." At that time most observers remained sceptical. They were used to such proclamations, and little progress had been made in the past.

Not all of them knew that the pressures on the main actors were such that they would have to come to terms with their quarrel or witness the end of the KPNLF. The fact that a few hundred KPNLF soldiers joined hands with the ANS was maybe less significant than the alarming rate of plain defection to civilian life. Soldiers of the Front were fed up.

Some of the resistance sponsors were even beginning to consider the possibility that the Front would just collapse and vanish, at least as a credible military force. The recent reconciliation came just in time. The fall has been stopped. "We just hope it is not too late," a source close to the Front said.

As part of the military reorganisation, Kampuchea has been divided by the KPNLF general command into nine "military regions." And nine men, most of them former camp commanders, have been promoted to the rank of brigadier — one star — and major general — two stars. In the first category are Chum Chheang and Sopheak Rachna, while the two stars groups comprise Prum Vith (ex-Sok Sann), Pan Thay (Red Berets), Thou Thip (ex-commander of the general reserve), Liv Ne (ex-Nong Samet-Rithisen), Keo Chuon (ex-Nam Yun), Loeung Sinak alias Ta Maing, (ex-Sang Ro) and Chea Chhuth (ex-Nong Chan).

What is the strength of the KPNLAF today? "Probably nobody knows for sure," a reliable diplomatic source said. "A total strength of 14,000 armed combatants," according to the KPNLAF's March bulletin. "Around 10,000, maybe a few more," says an independent source. "The main question is rather: how many of these soldiers are actually inside Kampuchea," the source said. Most experts agreed that reorganisations and

plans drawn by Gen Sak Sutsakhan during the past few months are beginning to show results. "The KPNLAF are getting more active inside, but there is still a strict limit to what they can achieve," a military source said.

A fairly good example of the Front's capacity and limits is probably shown by a long range mission launched under the leadership of then Colonel Thou Thip last year. The diminutive colonel, who gained some fame when in 1983 he managed to capture the lake of Ampil from the Vietnamese, went deep inside — further than Kompong Thom. "The highest ranking resistance leader to ever go that far," a source claims. But after a few weeks the group ran out of supplies. And they barely made it back to the border. "Such operations are useful because they establish the presence of the resistance inside the country," a military source favourable to the coalition said. "But from a military point of view it makes sense if you can stay. Obviously, planning was very poor, since the group never received any new supplies from the main border bases."

Speaking recently to a correspondent of the Voice of Khmer Radio (a station run by the nationalists), Gen Sak Sutsakhan explained that "my plan is to gradually expand our army in all aspects... Now we have tens of thousands of troops.... From this number, we will reach several tens of thousands this year and even hundreds of thousands in the future." Is the KPNLAF about to become one of Asia's largest armies, in direct competition with the People's Army of Vietnam? Well, propaganda is propaganda. Sponsors of the coalition would already be delighted if the KPNLAF could stay at the present level for a while...

CIVILIANS, TROOPS NOT CLEARLY SEPARATED IN DK CAMPS

Bangkok THE NATION in English 7 Apr 87 p 5

[Article by Sinfah Tunsarawuth]

[Text] **IN their first ever "thorough tour" of four secluded border camps housing Khmer Rouge civilians last month, senior international relief officials were satisfied with what they saw; yet, they still insist on having "regular and unlimited access" to these camps to ensure that humanitarian aid is not diverted to Khmer Rouge troops, diplomatic sources said.**

The sources quoted officials of the UN Border Relief Operation (UNBRO) as saying that the Khmers they saw looked healthy. "They were certainly not starving."

However, UNBRO is still concerned that food and medical supplies intended for Khmer civilians might be siphoned off to Khmer Rouge fighters since free access to the four camps is not yet available.

Without free access, UNBRO could not possibly monitor distribution of the supplies.

Informed sources said UNBRO is threatening to cut off supplies to the camps unless "satisfactory result" is achieved in the current negotiations between Khmer Rouge leaders and officials of UNBRO on the issue.

UNBRO is demanding the same privilege its officials enjoy in other encampments of Khmer displaced persons along the border where they can visit any time they want and where they can monitor their aid supplies.

The four camps in question are Huay Chan with 8,000 Khmers and

Natrao with 14,000 in Si Sa Ket Province; Bo Rai with 3,000 and Ban Ta Luan with 4,000, both located in Trat Province.

Y.K.Kim, director of UNBRO; Jamshid Anvar, director of the office of special representative of the UN secretary general for coordination of Kampuchean humanitarian assistance programmes, and Georges Willemin, deputy head of delegation of the International Committee of the Red Cross (ICRC) led a team of UNBRO and ICRC officials to visit Natrao and Huay Chan March 9.

The visit followed late last month by the medical teams of UNBRO and ICRC to Natrao, which had been one of the most secluded encampments. Relief agencies are particularly concerned with the camp since it is associated with Ta Mok, the right-hand man of Khmer Rouge leader Pol Pot.

UNBRO is under the office of the special representative. ICRC is responsible for protection and medical service of Khmers in eight encampments along the Thai-Kampuchean border.

In late last month, UNBRO Deputy Director Julian Lefevre led another team to visit Bo Rai and Ban Ta Luan.

Two diplomats from the Canadian Embassy also visited Natrao in late March, said John Baker, counsellor of the embassy.

The Canadians were the first Western diplomats to have visited any of the four camps in question.

Baker said the two Canadian diplomats were allowed to take pictures and talk to the Khmers in the camp.

He said Canada, as a donor country to UNBRO, would like to see a clearer separation of civilians

and combatants in the Khmer Rouge camps.

He said although he could not confirm whether Khmer Rouge fighters live in those camps, the fighters were seen carrying their weapons in the camp. He said in other Khmer camps, fighters would drop their arms before entering.

He said it would be "foolish" to believe that UNBRO's food supplies were not diverted to Khmer Rouge fighters.

"The access issue is important to us since we, the donors, want to know how our money was spent," he said.

Under the UN charter and humanitarian practices UN food aid is given only to civilians, not combatants.

He also said it is possible that UNBRO would cut off its supplies if the problem is not satisfactorily resolved.

Lacy Wright, refugee coordinator of the US Embassy, said although the access issue is a US concern, his staff had not visited any of the four camps and will not do it. He said his embassy has a policy not to visit Khmer Rouge camps.

Sources said other groups of senior officials of international organizations will visit the four camps "very soon."

Sources said it is "principally unacceptable" that relief agencies have to notify Khmer Rouge leaders in advance before their visits to these camps. This is not the case for other camps such as Site 8 of Khmer Rouge civilians in Prachinburi Province, they said.

The precondition created doubts among relief officials that what they had seen in the camps might be "staged" by the Khmer Rouge. "However, they had to be very good

actors if that was a show," the sources quoted UN officials as saying.

UNBRO also wants to have the option of posting officials in the four camps during the daytime and regular access for voluntary agencies. But the possibility is remote for the time being, the sources said.

UNBRO originally set last December as the deadline for cutting off food and medical supplies if the access issue was not resolved.

However, the deadline was postponed after Khmer Rouge leaders agreed to start negotiating the issue.

Sources said "substantial progress" has been made in the negotiations and the Khmer Rouge has agreed visits to the camps by relief workers once a week since last December.

Earlier, aid officials could only go to the entrance areas of those camps. Last month's visits by the senior officials were the first time they could thoroughly inspect the camps.

Officials who visited Natrao on March 9 could also talk to some of the Khmers who were among the 1,700 clandestinely moved from Site 8 to Natrao in January, sources said.

The interviewed Khmers said they volunteered for the relocation to join their family members at Natrao. Some of them told the officials that Site 8 is more vulnerable to Vietnamese attack and Natrao is closer to the passage for their return to Kampuchea.

Baker said his staff reported that some interviewed Khmers said they received more food in Natrao than in Site 8.

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CSO: 4200/520

HO CHI MINH CITY TO ASSIST PHNOM PENH

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 26 Feb 87 p 1

[Article by T.Th.: "Ho Chi Minh City To Help Phnom Penh Restore Its Consumer Goods Production Installations and Introduce Scientific-Technical Advances Into Cultivation and Animal Husbandry"]

[Text] After 3 days of work, last night, 25 February 1987, at the Thong Nhat Conference Hall, the Ho Chi Minh City and Phnom Penh delegations signed a conference report and a document regarding economic-cultural cooperation between the two cities in 1987.

Comrade Vo Tran Chi, secretary of the municipal party committee of Ho Chi Minh City, and comrade Nguon Nhen, secretary of the municipal party committee, signed the conference report, in accordance with which the two sides agreed to strengthen education among the cities' party organizations and people regarding the tradition of militant solidarity and special friendship between the parties and people of the two nations. The two sides will send capable, experienced cadres to help each other in economic-social construction and management. Every year, representatives of the two cities will meet to review the discuss the course of cooperation for the following year. The report stated that on this occasion Ho Chi Minh City will grant Phnom Penh 3.5 million riels, a share of the profits of the Cho Moi Commercial Center Joint Enterprise, so that Phnom Penh can construct a cultural project.

Comrade Le Khac Binh, vice chairman of the Ho Chi Minh City People's Committee, and comrade Moc Maret, vice chairman of the Revolutionary People's Committee of Phnom Penh, signed the 1987 economic-cultural cooperation agreement. According to that agreement, Ho Chi Minh City will help Phnom Penh gradually restore its consumer goods production installations and build a number of medium-scale and small-scale small industry-handicrafts production installations which can rapidly bring about economic results. In the agricultural sphere, Ho Chi Minh City will help Phnom Penh introduce scientific-technical advances into cultivation and animal husbandry, and gradually create food-production areas around the city. With regard to capital construction, the two sides have agreed to give priority to constructing production installation and installations serving culture. Furthermore, Ho Chi Minh City will survey seven projects needed by Phnom Penh. The two cities will continue to cooperate commercially at the Chi Moi

Commercial Center and begin a number of services. The two sides agreed to exchange goods valued at 300 million riels, 100 million riels of which will serve production and construction. With regard to culture, the two sides will exchange cultural, art, public health, and press delegations and train scientific-technical cadres.

5616

CSO: 4209/392



PEOPLE'S REPUBLIC OF KAMPUCHEA

BILATERAL TRADE WITH SRV VIEWED

Hanoi NGOAI THUONG in Vietnamese 10 Jan 87 p 6

[Article: "Commemorating the Eighth National Day of the Cambodian People's Republic (7 January 1979 to 7 January 1987): Strengthen Foreign Trade Relations Between Vietnam and Cambodia"]

[Text] In the all-round cooperative relations among Vietnam, Laos, and Cambodia in general, and between Vietnam and Cambodia in particular, cooperation in the sphere of foreign trade between the two countries plays an especially important role. By exchanging goods and in many spheres of cooperation, foreign trade activities have truly become a factor furthering the development of each nation and contributing to the consolidation and stabilization of the lives of the people.

Reviewing the recent period, we see that 1985 the central-level trade index between our country and Cambodia doubled and the pledged obligations were carried out at a ratio 80 to 90 percent higher than in the past. During the first 8 months of 1986, the volume of goods sent by our country to Cambodia had a value equal to 118.39 percent of the volume of goods exported by Cambodia to Vietnam. For its part, Cambodia sent to our country a volume of goods equal to 129.78 percent of the goods exported in 1985. Especially, with the stabilization and development of the economy, the types of goods exchanged between the two countries continually changed and became increasingly varied. Cambodia has gradually reduced the disparity in the export indices, which has carried over from the past. That is also the basis on which to develop the foreign trade of the two countries in 1987 and in future years.

In addition to developing central-level trade, local trade between the sister provinces and the provinces along the Vietnam-Cambodia border has grown rapidly. In 1985 the value of goods exchanged in that sector increased five-fold over 1983 and accounted for 80 percent of the total value of goods exchanged between the two countries.

Because of that good development, on 26 September 1986 there was signed a Protocol on the exchange of goods and monetary payment between the two countries which called for the volume of goods exchanged to more than double the volume of 1986. This year our country will continue to provide Cambodia with many traditional goods and a number of new products, including

agricultural machinery and spare parts, P400 cement, canned meat, beer, jute fiber, various kinds of cloth, soap powder, bicycles, alum, office supplies, electrical goods, and many other goods. For its part, Cambodia will continue to export to Vietnam traditional products which are capable of being rapidly developed, such as corn, various kinds of legumes, lumber, turpentine, leaf tobacco, automobile inner tubes, etc.

At present, in addition to very good results, very urgent problems have arisen and must be promptly resolved in the process of developing foreign trade between Vietnam and Cambodia in particular and among Vietnam, Laos, and Cambodia in general. It is necessary to further increase the goods exchange index, improve the quality of goods, overcome difficulties in transportation, strengthen management, and guide the development of local commerce to supplement and support central-level commerce. In the near future, with regard to foreign trade relations among Vietnam, Laos, and Cambodia it is necessary to implement to the greatest possible extent the commitments made in the Protocol and contract that were signed, to expand the exchange of goods beyond the Protocol, and the application of all forms of cooperation, with special attention to cooperation in the production of consumer goods to supply to each other in the contracting, joint operations, and economic alliance forms. It is necessary to encourage, and create favorable conditions for, cooperation among the localities in the production of consumer goods.

5616

CSO: 4209/392

## SPECIAL OPERATIONS COMMANDER DISCUSSES BUILDING BRANCH, TASKS

Hanoi NHAN DAN in Vietnamese 16 Mar 87 p 3

[Article by Major General Nguyen Tu Cuong, commander of the Special Operations Branch: Building Well-trained Special Operations Forces That Are Strong in All Respects"]

[Text] On 19 March 1967, at the ceremony to officially announce the establishment of the Special Operations Branch, President Ho said that "special operations is a special task. This is a special honor that requires people to make a special effort." President Ho taught our special operations forces to carry out 11 special points, the contents and targets of which were to strive to build the new socialist people and build branch units that were strong in all respects.

Struggling in accord with the teachings of President Ho, the special operations forces have grown stronger and stronger and become one of the important combat branches in our people's armed forces. The special operations forces are worthy of the traditional words used in praise by the National Assembly and the Council of State:

"Particularly well-trained, very brave, clever and daring, fight victoriously."

Looking back at the steps that have been taken, with the glorious tradition of the special operations forces, there are several matters of practical significance that can be seen.

First, because of our geographical and historical position, our people have frequently had to resist invaders who were stronger than they were. Consequently, they developed many ways of fighting. A unique way of fighting that uses little to achieve much is special operations. This is a way of fighting that our people developed a long time ago. This was used during the resistance against France. And even before that, it was used in the process of building and defending the country.

Second, the formation and development of special operations was linked to the combat standards of our military and followed the development tendency of people's warfare under the leadership of the party and with the assistance,

protection, and help of the people. This was the experience handed down from generation to generation through several consecutive decades of combat. This has developed in accord with objective laws from low to high, from small to large, from crude weapons and means that we built ourselves to more and more modern equipment, and from small-scale combat and guerrilla attacks to regular joint-branch warfare in large-scale operations in wars of liberation and wars to defend the fatherland.

Third, the history of warfare in our country shows the importance of special operations and special operations forces. The Special Operations Branch confirmed its position in the recent war of liberation and is doing so now in defending the fatherland. Regardless of the situation or the form or scale of war, the war led by our party is a people's war to defend the country, a just war, a revolutionary and modern war of self-defense. The Special Operations forces are combat forces. They are the crack forces of our people's armed forces. The special operations combat arts and procedures continue to hold an important position in the combat arts and procedures of our army.

Fourth, special operations and the special operations forces satisfy the requirements of the strategic warfare formulas and strategic circumstances. These forces can fight in the operational stages of every type of war. They can fight in the mountains and jungles, in the rural areas, in the lowlands and cities, on land and at sea, and near and far. They can fight anywhere in any circumstances and in any terrain and weather.

Today, the Special Operations Branch is expanding broadly in all three military services. It is coordinating its traditional strength in defending the nation with assault strength. These forces are being equipped with more and more modern weapons and scientific and technical knowledge in the new conditions. Regardless of whether they are on-the-spot forces or strong mobile main forces and regardless of the conditions, the special operations forces must consider the people to be the root and base of support. They must consider serving the people as the objective and always remember that "their military exploits are achieved with the full support of the people. The people are their eyes and ears and their protective armor." The more difficult the situation, the more the special operations forces must strengthen military-civilian solidarity and manifest a spirit of readiness to make sacrifices to protect the lives and property of the people.

Implementing the resolution of the Sixth Party Congress, in the coming years, our army will continue to build up the Special Operations Branch in terms of both manpower and organization based on making it a revolutionary, regular, and more modern force. There will be an all-round and powerful change. Quality will be improved, and great combat results will be achieved. In particular, the forces will be well trained and ready to satisfy every requirement and complete every task in any situation.

The first task is to raise the standards of the branch and increase its integrated combat strength so that it is prepared to fight and win.

The second task is to step up production, participate in building the material and technical base of the branch with higher and more stable productivity and

quality based on the viewpoint of the party and the policies and laws of the state, and contribute to gradually improving the lives of the troops and carrying out the cadre policies well.

The third task is to continue carrying out the assigned tasks, among which is the branch's lofty international obligation.

These three tasks are being carried out in an all-round manner. This includes combat tasks, the organization of forces for training, cadre, school, and rear service activities, military scientific and technical work, education, and political activities. In this, great attention must be given to improving the leadership capabilities and combat strength of the party organizations and command echelons at the primary-level units in order to fulfill the requirement of building a well-trained branch that is strong in all respects. The branch must be strong politically and ideologically and have operational and combat capabilities. The central task of party building is to train the special operations cadres and soldiers so that they have a high level of political awareness, are absolutely loyal to the party, have a strong spirit of the revolutionary offensive, and have iron combat will power. At the same time, an effort must be made to forge strong combat capabilities, high tactical and technical standards, great endurance and perseverance, and high mobility in complex conditions.

The special operations forces must be organized in a simple way. They must be strong, politically pure, and ideologically stable and have excellent operational capabilities. Great emphasis must be placed on building up the primary-level units to ensure that each team, point, and unit is of high quality.

On the 20th anniversary of the founding of the Special Operations Branch, the special operations forces are promoting a Determined to Win emulation movement with high productivity and quality and good results and contributing to completing the new tasks in the new situation.

11943

CSO: 4209/401

POLITICAL

VIETNAM

NHAN DAN COMMEMORATES ZIMBABWE NATIONAL DAY

OW180857 Hanoi VNA in English 0709 GMT 18 Apr 87

[Text] Hanoi, 18 Apr (VNA)--NHAN DAN, in an article marking the seventh national day of the Republic of Zimbabwe, wishes for further development of the friendship and cooperation between the governments and peoples of Vietnam and Zimbabwe.

The paper says:

"Zimbabwe's victorious struggle to wrest back independence from the century-long domination by British colonialism 7 years ago was of great significance as it broke one of the last two important links of the barbarous apartheid colonialist regime in Africa. That victory has not only blazed a new path for the Zimbabwe people to advance forward in building a progressive and prosperous country of their own but also helped tilt the balance of force in favour of the national liberation movement in the region."

"Right after independence," NHAN DAN says, "the Zimbabwe people under the leadership of the government headed by Prime Minister Robert Mugabe concentrated their efforts on national construction and defence. They have overcome many difficulties and obtained ever greater achievements. The colonialist vestiges have been eliminated step-by-step. The Zimbabwe people together with their armed forces have resolutely struggled against all schemes and acts of aggression and sabotage by the apartheid Pretoria regime and other reactionary forces, firmly safeguarding their revolutionary gains."

After recalling considerable achievements recorded by the Zimbabwe people in national construction over the past years, the paper says: "By promoting its policy of independence and stepping up the struggle against imperialism, colonialism, and apartheid, Zimbabwe's international prestige has been further enhanced. In the position as chairman of the nonaligned movement, Zimbabwe has made active contributions to the common struggle of the people in Africa and the world as a whole, for peace, national independence and development."

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CSO: 4200/511

## HANOI ENGLISH SERVICE REPORTS ON ELECTIONS

BK191335 Hanoi International Service in English 1000 GMT 19 Apr 87

[Text] Today, with the people throughout the country, 1.7 million voters in Hanoi go to the polls on Sunday to elect deputies to the National Assembly--the eighth legislature--and the people's councils at districts, villages, and equivalent levels. The following is a report filed by our correspondent on the elections:

The elections are taking place in an orderly and colorful atmosphere. This assessment was made by an Australian journalist, Mr Barry Wain, deputy editor in chief [title as heard] of THE ASIAN WALL STREET JOURNAL. Like dozens of other foreign journalists who are present in Hanoi to witness the elections, Mr Wain's assessment is considered a noteworthy feature of the elections in Hanoi on Sunday.

The elections started at 0700 sharp. Yet, the hectic atmosphere has been prevailing in the city of some 3 million population right from early in the morning. Flags, placards, frames campaigning for the elections are hung everywhere. Red scarf pioneers with national flags and flowers in hands marched through the streets and beat drums [drum beat recording].

Though there are still many difficulties in daily life, the Hanoians expressed their confidence in the Communist Party of Vietnam Central Committee and the top leaders of the country. The elections this time are taking place only 4 months after the success of the sixth national party congress. Several days before the elections, a communique of the second plenum of the party Central Committee was made public in Hanoi. The assessment, conclusions, and measures were worked out by the plenum concerning the distribution and circulation of goods and other urgent issues of the country have brought about new vitality and confidence to the Hanoians.

They are convinced that in the spirit of looking straight to the truth, (?trustiness), and the people are the [word indistinct] as is found in the resolution of the party, the present economic difficulties will be overcome. Today, with this confidence the Hanoians go to the polls. We were present at the election unit No 8 in Ba Dinh Precinct where party General Secretary Nguyen Van Linh, one of the 1,000 voters who cast their vote. [sentence as

heard] He is also one of the six candidates who run for the elections to the National Assembly at the precinct.

After casting his vote, party General Secretary Nguyen Van Linh talked with journalists who were present there. He said: [10-second Nguyen Van Linh recording in Vietnamese fading into English translation] The National Assembly is the highest state authority, the highest representative of all the people. Therefore, we should chose the most eligible and qualified representatives of the working people so that they would listen to the opinion and aspirations of the people and submit them to the state and exercise their right to collective mastery of the working people through drafting laws to be promulgated by the state. If I am elected deputy to the National Assembly, I will listen to the opinion and aspiration of the people and submit them to the National Assembly and the State Council and take part in drafting laws so as to step by step improve the life of both manual and intellectual workers.

Dozens of foreign journalists from the Soviet Union, Cuba, the German Democratic Republic, Czechoslovakia, Poland, Japan, Italy, the Federal Republic of Germany, and XINHUA News Agency of China are present in Hanoi to cover the election.

We asked Mr Paul Lockyer, head of the Australian ABC television group to assess about the elections. He said:

[Begin recording] Well, it seems it is a very colorful display. It is conducted somewhat differently to elections in our country, of course, but I understand this one is quite crucial to Vietnam. As I understand it, this election is important because it perhaps puts in place some of the recent leadership changes that occurred at the party congress and gives Vietnam, perhaps, a new direction. It is a little early, since we have not visited many of the polling booths, but as I understand it, the candidates are well known to the people. [end recording]

A new feature of the election this time is that the people have a wider choice among the candidates to elect the most qualified ones. The number of candidates and constituencies is bigger than the previous one, thus helping to broaden contact between candidates and their constituents. Another thing to be mentioned is that the process of consultation to nominate candidates which is carried out with democracy with the grass-roots units.

We asked a voter, Mr Vu Ngoc Lo, 60, professor of University of Pharmacy in Hanoi, about his opinion on the elections, he said:

[Begin recording in Vietnamese fading into English translation] This is the eighth time I take part in the election to the National Assembly. Each time, taking the vote in hand, and enthusiastically, typically this time, I see many new changes meeting the people's desire. During the process of nominating candidates and at the contact between candidates and voters, people's opinions are respected and [words indistinct]. [end recording]



The day before the elections, the Vietnam Central Television network screened the late President Ho Chi Minh, the founder of the nation, going to the poll in the first year of election on 6 January 1946.

The confidence in the party Central Committee and the determination of the [word indistinct] overcome all difficulties to build a more prosperous capital will bring about a success of the elections today.

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CSO: 4200/511

## LINH ON DEMOCRATIC CHARACTER OF ELECTIONS

OW190807 Tokyo KYODO in English 0752 GMT 19 Apr 87

[Article by Hiroshi Oshima]

[Text] Hanoi, 19 Apr (KYODO)--The Vietnamese went to the polls Sunday to elect members of the 496-seat National Assembly, the highest legislative body of the Communist Party-led country.

The election came at a time when the country's economy is on the brink of bankruptcy, making every Vietnamese, including its leaders and ordinary citizens, feel the necessity of overhauling the entire system, including the legislature.

The first nationwide election since 1981 has a new system aimed at assuring people of more democratic participation. Under the new system, it was almost obligatory for any electoral district to have enough candidates so that their number exceeded the allotted seats by at least two.

As a result, it made Vietnam more advanced than the Soviet Union and other socialist countries as far as the introduction of the "multiple electoral system" is concerned.

A total of 829 persons are in the contest for the 496 seats, boosting the competition rate to 1.67 times from the average 1.2 times in the previous national elections. The result of the ballot counting is expected to be published a few days later, according to officials.

But the names of several prominent revolutionary figures were not on the candidates list this time. They are Truong Chinh, president or chairman of the Council of State, Prime Minister Pham Van Dong, and Vice Prime Minister Vo Nguyen Giap, who led Vietnam to victory in the wars against France and the United States.

Their retirement officially paved the way for the new general secretary of the Communist Party Nguyen Van Linh and other second-generation leaders, from among whom a new president and a new premier will be elected at the coming session of the National Assembly.

Diplomats in Hanoi tend to mention such figures as Pham Hung, Vo Chi Cong, Vo Van Kiet, and Nguyen Co Thach, all vice premiers, as possible candidates for the highest state and government posts.

Usually quiet Hanoi was in a festive mood Sunday as many houses hoisted the gold-star-in-the-red flags of Vietnam, while officials at every poll station called on the citizens to exercise their right to vote through loudspeakers.

Nguyen Van Linh appeared at a Quan Thanh District polling station in Hanoi, where he stood for the current election, giving a rare opportunity to both local and foreign reporters to see the nation's most powerful leader.

"The elections are 1 million times more democratic than those in capitalist countries," he told reporters jokingly.

Clad in a modest suit, Linh said Vietnam is now facing many difficulties because of both objective and subjective causes. "I shall listen to the people's opinions and concentrate on the job to improve their living conditions," he said.

The outgoing leader Chinh, who served as party general secretary for some months last year after the death of Le Duan, told reporters at another polling station that he believes in the ability of the younger generation. The 80-year-old leader, apparently very weak in the leg, said he will continue whatever task which will be assigned by the party.

A female voter, 38, said she welcomed the new waves of change following the party congress last December and hoped the leadership would strive to improve the living standard. Her monthly salary is about 700 dong--about 9 U.S. dollars according to the official exchange rate.

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CSO: 4200/511

## BRIEFS

NATIONAL DAY OF DENMARK GREETED--On the occasion of the national day of the Kingdom of Denmark, 16 April, Truong Chinh, chairman of the SRV Council of State, has sent a message of greetings to the Queen of Denmark Margrethe II. [Text] [Hanoi Domestic Service in Vietnamese 1430 GMT 15 Apr 87] /9599

CUBA AWARDS FAR MEDAL TO DOAN KHUE--Colonel General Doan Khue, chief of staff of the Vietnamese Peoples Army and member of the Communist Party of Vietnam's Politburo, was decorated today in Hanoi with Cuba's 30th FAR anniversary medal. The medal was presented by Cuban Ambassador to Vietnam Armando Saucedo Yero at a ceremony held at the Cuban Embassy in Hanoi. Lieutenant Colonel Cecilio Diaz Medina, Cuban military attache, read the Cuban State Council decree signed by President Fidel Castro Ruz by which the order was awarded to Doan Khue and 199 other Vietnamese officers, 25 of whom attended the ceremony, Saucedo Yero and Doan Khue highlighted the friendship and cooperation existing between the Cuban and Vietnamese armed forces and peoples in the struggle for national independence and socialism. [Text] [Havana Radio Reloj Network in Spanish 2027 GMT 15 Apr 87] /9599

SIERRA LEONE NATIONAL DAY GREETED--Hanoi, 18 Apr (VNA)--President Truong Chinh today extended best wishes to President Joseph Saidu Momoh of Sierra Leone on the occasion of its 16th independence day. Also on this occasion Foreign Minister Nguyen Co Thach has sent greetings to his Sierra Leonean counterpart, Abdul Karim Koroma. [Text] [Hanoi VNA in English 1630 GMT 18 Apr 87] /9599

GREETINGS TO BRITISH QUEEN ON BIRTHDAY--Hanoi, 20 Apr (VNA)--President of the State Council Truong Chinh has extended greetings to Queen Elizabeth 2 of Britain on the occasion of her 66th birthday (21 April). [Text] [Hanoi VNA in English 1514 GMT 20 Apr 87] /9599

ALBANIAN GROUP INVITED TO VISIT--Hanoi, 20 Apr (VNA)--A delegation of the Albanian People's Assembly (APA) led by Petro Dode, member of the Albanian Party of Labour Central Committee and president of the APA, will pay an official friendship visit to Vietnam soon at the invitation of chairman of the National Assembly Nguyen Huu Tho. This came in an announcement released here today by the office of the National Assembly and the State Council. [Text] [Hanoi VNA in English 1519 GMT 20 Apr 87] /9599

DELEGATION TO PLO SESSION--Hanoi, 20 Apr (VNA)--A delegation of the Communist Party of Vietnam led by Phan Ngoc Tuong, member of the Party Central Committee and minister of construction, has arrived in Algiers for the 18th session of the National Council of the Palestine Liberation Organization. Receiving the delegation at the airport, Taysir Qubaa, Central Committee member of the Popular Front for the Liberation of Palestine (PFLP), praised Vietnam as a symbol of the struggle for national independence and defence. He wished for the constant consolidation and development of the friendship between the two peoples of Vietnam and Palestine. [Text] [Hanoi VNA in English 1520 GMT 20 Apr 87] /9599

ENVOY TO MADAGASCAR PRESENTS CREDENTIALS--Hanoi, 21 Apr (VNA)--President of Madagascar Didier Ratsiraka has said that Vietnam is a symbol of the liberation struggle of the three continents: Asia, Africa, and Latin America. Speaking at a meeting with Vietnamese Ambassador Vu Dinh Hoe who presented his credentials on 8 April in Antananarivo, President Didier Ratsiraka said: "In the past, in the fifties, we were very proud on learning of the victory of your liberation struggle. During Vietnam's second resistance war when I was a student in France, we joined in the campaign in support for your liberation struggle, and this for a very simple reason: Vietnam is a symbol of the struggle for national liberation of Asia, Africa, and Latin America. Therefore, it is quite natural that today Vietnam and Madagascar are cooperating and coordinating their actions at all international forums." [Text] [Hanoi VNA in English 1455 GMT 21 Apr 87] /9599

DANISH COMMUNIST LEADERS GREETED--Hanoi, 22 Apr (VNA)--General Secretary of the Communist Party of Vietnam Central Committee Nguyen Van Linh today extended his warmest congratulations to Olle Sonn and Jan Andersson on their elections as chairman and vice-chairman of the Danish Communist Party respectively. The congratulatory message wishes the Danish communist leaders success in their noble missions. [Text] [Hanoi VNA in English 1502 GMT 22 Apr 87] /9599

CSO: 4200/511

## DONG NAI STRIVES TO CARRY OUT THREE ECONOMIC PROGRAMS

Hanoi NHAN DAN in Vietnamese 22 Feb 87 pp 1, 4

[Article by Thien Anh: "Dong Nai Strives To Carry Out the Three Major Economic Programs"]

[Text] Dong Nai is a province in the midlands area of eastern Nam Bo. It has great potential with regard to labor and land, and it has the strengths of all three areas: the midlands, the mountain region, and the coastal area. The province is determined to renovate its way of thinking and way of working and to develop its potential, including the people's will, to enable Dong Nai to become comprehensively developed, rich economically, strong with regard to security and national defense, and attractive to tourists. In the immediate future, it will concentrate its guidance on, and give priority to, carrying out the three major economic projects set forth by the Sixth Party Congress.

With regard to the food production program, in 1987 Dong Nai will strive to produce 553,000 tons of grain in paddy equivalent. It will plant 70,930 hectares of short-term industrial crops, an increase of 18.66 percent over 1986. It will expand and develop the food belts in Bien Hoa City, Vinh An City, and Long Thanh District, and will meet the needs of such highly populated areas and large, concentrated industrial zones, such as Bien Hoa City, the Bien Hoa industrial zone, the Tri An hydroelectricity project, and the petrochemical industrial zone. It will raise 247,600 hogs and 90,300 cattle, increases of 34 and 5.5 percent over 1986. It will catch 19,000 tons of maritime products, an increase of 11.7 percent over 1986. The province will guide the echelons and functional sectors, and will closely coordinate them in fulfilling the water conservancy projects and systems. It will give special priority with regard to capital and materials to the Lake Suoi Vong and Lake Da Ton projects, and complete the project to use water from Tri An Lake to serve the large, concentrated specialized subsidiary food crop and industrial crop areas. This will be combined with the development of aquatic products and tourism. Exporting and importing, and economic alliances will be increased in order to take the initiative in obtaining additional fertilizer and pesticides for all kinds of crops. The food processing sector will be further developed and will become a system extending from the provincial level down to the district level, and 30 percent of the subsidiary food crops processed will be available to be consumed in the daily diet of the province's people.

With regard to the consumer goods program, industry and small industry production in Dong Nai plays a rather large role in the province's economy. In 1987 it must attain the goal of more than 2.5 billion dong (in fixed 1982 prices), an increase of 19 percent over 1986. Dong Nai has the large Bien Hoa industrial zone, in which there are concentrated nearly 100 factories and enterprises of seven major central-level sectors. Its products are many and varied. The province has guided the reorganization of the local production sectors and the investment structure. It is resolutely eliminating the unnecessary installations to expand the existing enterprises or build new enterprises in order to serve the major economic program. It is endeavoring to meet the essential consumer goods needs of the people, and the workers, civil servants, and armed forces members of the central echelon stationed in the province, with regard to clothing, soap, granulated sugar, fish sauce, cooking fuel, paper, bicycle tires and innertubes, etc., and to meet the need for construction materials for state construction, to sell to the people so that they can build and repair housing, and ensure that there is a surplus to exchange with the other provinces (especially bricks, tiles, building lumber, sand, civilian carpentry tools, etc.), and is determined to fulfill its territorial management function vis-a-vis the Bien Hoa industrial zone. The province has adopted the policy of making all-out efforts to import additional materials and raw materials, signing contracts to exploit the capacity of machinery and equipment in the industrial zone, and further enriching the locality's sources of goods. The province set forth the specific requirement for the consumer goods program of having to have many goods to serve the people and produce many products to serve agricultural production in return. It is widely developing the small industry-handicrafts trades in order to exploit the capabilities of the material-technical bases and the people's skills, and produce consumer goods and export goods from local raw materials. The province permits the flexible application, depending on the specific product, of specific policies, in order to encourage the expansion of production under the family, cooperative team, and private forms, and encourages cadres, party members, and retired people to invest capital cooperatively with the state.

With regard to the export goods program, in 1987 Dong Nai will endeavor to increase the value of its exports by more than 10 million dong, in foreign exchange, over 1986, and create momentum for nearly doubling this year's total by 1990. The province has adopted the policy of carrying out, by all means, the three major programs, in order to create increasingly larger sources of export goods: first, agricultural products for export (coffee, peanuts, soybeans, pepper, cocoa, and the various kinds of legumes and special forestry products); second, artistic handicraft goods (items made of rattan, bamboo, and leaves, pottery, lacquerware, and artistic stoneware); and third, maritime products for export (shrimp, squid, seaweed, and fish). It is carrying out a campaign for "all households to produce export goods and all localities and units to participate in producing export goods." It is applying the method of supplying capital in advance, in accordance with economic contracts, to areas growing export crops. It will bring to an end the situation of waiting until the harvest season before obtaining money and goods to purchase the crops, which gives rise to competition in buying and selling, upsets the market, and causes harm to the state and to ensuring the

supplying of grain to people producing consumer goods and export goods in the small industry-handicrafts sector. The export-import work is being rectified and concentrated in a single entity under the province's export-import federation corporation. The province encourages the districts, cities, municipalities, and installations to produce export goods by giving appropriate priority to the localities and installations in the use of foreign exchange. Half of the foreign exchange is set aside for the aquatic products sector, to be invested immediately in catching and processing, to ensure the processing of frozen aquatic products for export and the attainment of a total export value of such products amounting to 6 million dong in foreign exchange. Investment will be made so that the industrial sector can make greater efforts in producing export goods (electric fans, sewing machine frames, crepe-soled sandals, industrial alcohol) and ensure that the value of exported industrial goods amounts to 610 million dong, an increase of 29 percent over 1986.

In order to ensure the implementation of the three major economic programs, the province has adopted the policy of assigning in 1987 more than 20,000 laborers to the economic sectors in accordance with the requirements of organizing the implementation of the three economic programs.

5616

CSO: 4209/380



## SUGARCANE FEDERATION STRIVES TO DOUBLE BEET SUGAR OUTPUT

Hanoi NHAN DAN in Vietnamese 3 Mar 87 pp 1, 4

[Article: "Cane Sugar Enterprise Federation 1 Will Strive To More Than Double Beet Sugar Output, Increase Value of Exports By 30 to 50 percent Over Last Year"]

[Text] Endeavoring to carry out the three major economic programs, the Lam Son sugar mill in Thanh Hoa, the Van Diem sugar mill, the Hai Ha candy factory, the Hai Chau cookie factory, the 19-5 food products enterprise federation, and the Sugar Machinery Enterprise of Cane Sugar Enterprise Federation 1 are determined to produce 7,000 tons of beet sugar (an increase of more than 200 percent over the previous year), 1,100 tons of confections of all kinds, 1,000 tons of soup powder, 300 tons of instant noodles, 1,270 tons of refined beet sugar, 1,500 tons of glucose, 2,300 tons of candy of all kinds (1,200 tons of which were exported), 450 tons of machinery products, etc.

To help the factories attain those goals, the federation will closely monitor the local level and work with it in resolving problems which impede production. The federation is coordinating with the localities and relevant sectors in zoning the areas growing sugarcane for the Lam Son and Van Diem sugar mills, while also making recommendations to the state regarding the investment and price policies, so that the sugarcane growers can be content and develop production. All out efforts will be made to increase the state purchasing of sugarcane by 87 percent over 1986. In addition to raw materials, the federation will make all-out efforts to supply sufficient lump coal, activated charcoal, POL, steel, etc., according to the plan norms. With regard to processing, the federation will pay attention to product quality by strengthening the quality inspection work in each phase. In 1987 the federation will make all-out efforts to increase the value of exports by from 30 to 50 percent over 1986.

5616

CSO: 4209/380

## WINTER-SPRING SUBSIDIARY FOOD CROP AREA INCREASES

Hanoi NHAN DAN in Vietnamese 3 Mar 87 pp 1, 4

[Article: "Winter-Spring Subsidiary Food Crop Area Increases By Five Percent"]

[Text] According to the Statistics General Department, as of 25 February the nation had increased the winter-spring subsidiary food crop area by five percent over the same period last year. The subsidiary food crop area of the northern provinces amounted to 198,000 hectares, and in the south it amounted to nearly 66,000 hectares. Corn accounted for 85,000 hectares, sweet potatoes for 204,000 hectares, and manioc for 34,000 hectares. The area devoted to vegetables and legumes of all kinds totaled 114,000 hectares and the short-term industrial crop area amounted to 172,000 hectares. During this year's winter-spring season many localities have paid much attention to expanding the subsidiary food crop area, especially the corn area, by 18 percent. Hoang Lien Son Province has used many economic policies to encourage the installations and the ethnic minority people to plant nearly 20,000 hectares of spring corn. The province is guiding the production installations in rapidly propagating short-term corn seed stock on bottomland and on one-crop 10th month rice land, is sending 40 tons of seed corn to the basic units, and is providing technical guidance regarding the cultivation of new corn varieties.

The municipality of Hai Phong has rezoned its land, drafted a program to develop corn, introduced corn into the crop structure, and guided the cooperatives in expanding the spring season corn-growing area to provide seed for the 1987-1988 winter-spring season. It is endeavoring to increase the winter crop area to between 1,000 and 2,500 hectares.

Hai Phong Province is growing nearly 36,000 hectares of winter crops, 3 percent more than the plant norm and an increase of 10 percent over the previous winter season. Because it took the initiative in broadly applying technical advances and methods to intensively cultivate the winter crops, nearly all of the crops attained and surpassed the plan norms, with regard to area, yield, and output, and increased in comparison to the previous year. The subsidiary food crop area amounted to more than 24,000 hectares nearly 70 percent of the seasonal area, surpassed the norm by 17 percent, and was an increase of 28 percent over the previous winter season. Output amounted to

93,000 tons (in paddy equivalent), 50 percent more than called for by the plan norm and an increase of 70 percent over last year's winter season. Although it only expanded the corn area on two-crop rice land, the province planted more than 3,000 hectares, which surpassed the plan norm and was an increase of more than 200 percent over the previous year. On the average, the new corn variety yield was 22.5 quintals per hectare, an increase of 36 percent over the previous winter season. Many cooperatives which used the new corn varieties attained higher yields, of more than four tons per hectare. The sweet potato area was 11,000 hectares and yield was 113 quintals per hectare, 22 quintals more than the previous year. The legume, soybean, garlic, white potato and carrot yields were high and the province concentrated its efforts on guiding the expansion of area and intensive cultivation. The white potato area amounted to nearly 10,000 hectares, 25 percent more than the plan norm, the average yield was 131 quintals per hectare, and there was an increase of 31 quintals over the previous season.

Having had a successful winter harvest, the cooperatives have positively carried out the processing and purchasing of agricultural products for the state, especially agricultural products for export. Hai Hung has exported nearly 2,000 tons of white potatoes. To encourage producers to sell agricultural products to the state, the state has transported thousands of tons of chemical fertilizer and pesticides, and many consumer goods, to exchange with the peasants so that they can promptly tend the spring rice, and to meet the needs of life in the rural areas.

5616

CSO: 4209/380

## HAI PHONG EXPORTS WINTER CABBAGE TO VLADIVOSTOK

Hanoi NHAN DAN in Vietnamese 3 Mar 87 pp 1, 4

[Article by Le Dien: "Hai Phong-Vladivostok"]

[Text] It may be said that in 1986 there was no winter. If growing spring rice was difficult, growing cabbage for export was even more difficult. Tending and irrigating the cabbage so that it formed heads required a great deal of effort, and if transported long distances the cabbage could easily spoil. By the end of January 1987 Hai Phong had exported to the Soviet Far East 3,000 tons. Only by making all-out efforts was it able to export 1,000 additional tons in February. Even so, Hai Phong has always been the leading exporter of cabbage. During the 1985-1986 winter-spring season the north as a whole exported 7,300 tons of cabbage, 5,300 tons of which were exported by the port city. During the first months of this year, Hai Phong began to prepare to export 10,000 tons during the 1987-1988 winter-spring season.

The person directly responsible, from cultivation to the final phase (loading the cabbage aboard ship for delivery to the Soviet Union) is one of the municipality's deputy chairmen. We have been close friends since Hai Phong began to carry out product contracting. When he met me, he immediately said, "Now I am also responsible for exporting fresh vegetables. That is a very complicated job. We must think and calculate very carefully." He took out of his briefcase a cardboard label on which there were printed the date the cabbage was harvested, the net weight, and the weight including packaging.

He said, "As you know, practically all the land in Hai Phong is affected by salt water and is used primarily to grow rice. In 1980 the rice yield was only a little more than four tons per hectare and the total output was 190,000 tons. Because of early product contracting and the desalinization of the land, by 1985 the rice yield was seven tons per hectare and the yield was 310,000 tons. During the 1980-1985 5-year period, on the average the paddy output increased by 100,000 tons a year. But in the final analysis, Hai Phong's agriculture is still a rice monoculture, and if there is a monoculture there is no great variety of agricultural products and it is impossible to have a high degree of intensive cultivation. We realize that no other province or municipality in the north could have the great advantages Hai Phong has. It has two ports. It is only a few dozen kilometers from an Hai and Thuy Nguyen districts to the port. The most distant district, Vinh Bao,

is only a few hours away from the port via motor vehicle. It takes a ship 5 days to travel from Hai Phong to Vladivostok, which is covered by snow in winter and is greatly in need of such fresh vegetables as cabbage and carrots. There are many customers. The Soviet Union has helped us a great deal, so we can provide a few vegetables. That is significant both emotionally and economically."

Our conversation lasted quite a long time. According to the deputy chairman, the port city's agriculture is an export agriculture. That is the most rational economic course. Two rice crops on a hectare of land yield seven tons of paddy. An additional winter cabbage crop for export is as profitable as six tons of paddy and increases the soil's fertility. The central echelon applauds that policy, and in the near future may allow Hai Phong to form a direct relationship with Vladivostok. As far as Hai Phong is concerned, that is something it must carry out now and carry out very well. During the past several years the city has resolved the following problems:

1. The renovation of guidance. In the past, the exporting of cabbage was assigned to several different organs. Full responsibility, from A to Z, is now the responsibility of a single person, so that guidance can be responsive, so that all aspects can be coordinated, and so that there will be clear responsibility.

2. There must be an appropriate mechanism and policy. Several years ago the city, along with the provinces growing cabbage for export, recommended a policy regarding prices and the selling of exchange goods to people growing cabbage. The people growing cabbage are in agreement with that policy.

3. When speaking of exports one must speak of packaging. The city is still deficient in that regard. Cabbage is transported from Hai Phong to Vladivostok, and then transported thousands of kilometers into the interior, but there are only thin woven bamboo baskets and there are no hard bamboo rims. The city is studying bamboo basket specifications, and making the cabbage growers responsible for obtaining packaging.

4. Improving the purchasing of cabbage and its shipment to river and ocean ports.

An Hai and Thuy Nguyen are two districts which grow much cabbage for export. We visited the one of comrade Nguyen Ky. He was a retired former secretary of the district party committee and was, along with her family, growing cabbage for export. His wife was skilled at growing cabbage and also grew cabbage seedlings and sold them to other places.

"I've heard that any difficulties are encountered in the first planting of cabbage because it rains so frequently. In some places people have to grow them in wooden trays so that when it rains they can take them inside."

She replied, "There is a lot of work involved, and it is good to have capital to work with. My method is the following: I prepare the soil very carefully and compost thoroughly. I make high furrows and mix the soil well with the compost, then make the bottom of the furrow very flat so that when I sow the

seeds they don't fall down into cracks in the soil. After sowing the seeds I cover them with straw and then with a layer of soil. After 3 days and nights the seeds sprout, so I take out the straw. When there is saltwater mist I must sprinkle fresh water until the saltwater mist is gone, or else the cabbage seedlings will wilt. Nitrogenous fertilizer and urine must be spread only in the afternoon. If spread during the day the plants will also wilt."

She explained to me in detail the cultivation techniques, from the seedling stage to the time the plants grow larger and form heads. Growing cabbage for export is very painstaking work. She said, "If you know how you'll earn a living, but if you don't everything will be lost. Thus the policies regarding prices and the selling of exchange goods to us are all right. I only hope that the purchasing of cabbage could be quicker and more efficient. Now we must wait around, which is very troublesome. After waiting for a vehicle to transport our produce we must wait our turn to have our produce weighed, and after the cabbage is weighed there is a lack of bamboo baskets. Only after the weighing is over do we feel relieved."

Up to that point, Ky had only sat and listened. Only now did he slowly speak:

"Cabbage for export can be grown along both sides of route 5 during the winter. There is still a lot of potential. Our district alone can export about 10,000 tons."

The former chairman of the district party committee has the dream that in the near future An Hai will become a model with regard to cabbage exports.

5616

CSO: 4209/380

## SOAP CORPORATION HEAD COMMENTS ON PRODUCTION OBSTACLES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 5 Mar 87 pp 1, 2

[Article by Nguyen Quang Loc, director of the Soap Powder Corporation of the South: "The Sixth Party Congress Resolution and Our Responsibility: Chaotic Development and Fragmented Management Have Restricted Production"]

[Text] In the course of actual activities and the reorientation of production and commerce, we see that there are still many problems:

First, our industry does not have sufficient basic conditions to stabilize production and essentially still relies on foreign sources of raw materials. It must be understood that the measures which the installations are presently applying are only temporary and are still very limited (but sometimes we exaggerate their effect, such as the methods of borrowing foreign exchange for imports, on-the-spot exporting, indirect importing, etc.). Therefore, the most important problems at present are to create the necessary premises for industry, planning objectives and a rational structure, applying technical advances, and promoting exports to achieve self-balancing and serving the modernization of production. We believe that the first task is to reorganize production, combined with the formation of economic-technical sectors, on the basis of which to rationally select the development goals. Our industry at present does not have a rational structure, and its development has been chaotic, fragmented, and dispersed. For example, the production of 40,000 tons of coconut oil in the South is a real possibility. If our corporation is provided 10,000 tons its production and commercial situation can be much more solid. But because of fragmentation and dispersion, every year our corporation is supplied less than 500 tons!

Second, at present we often emphasize improving the mechanism, but we have not fully studied the nature of small production and its laws of development, so documents have been promulgated which cannot be developed into action programs. The people responsible for drafting the mechanism must supplement their knowledge of applied management science, and must fully understand the actual situation. In management science, there cannot exist the situation of officials setting rules for businessmen. We must base ourselves on the actualities of commerce in studying and recapitulating them. A matter that must be stressed is a decisive element: thinking that management is a matter of practice. It is not the case that anyone can manage a given mechanism.

Management is a science, an art, and a profession, and managers must be skilled. Above all, managers must bring about results for society. It is very regrettable that to date, in the organization and cadre work we do not yet know how to evaluate, respect, and rationally use the management capabilities, but only revolves around generalized concepts of virtue and talent, and there are no specific standards.

Third, if the economy is to develop it is necessary to apply technical advances, expand foreign economic relations, continually keep abreast of technical advances and the market, and attract investment. We have not yet created conditions for the director to establish contacts with the world, and have not yet created favorable conditions for the foreign corporations and businessmen to cooperate with us in doing business, so we have lost many opportunities.

Fourth, if workers are to be positive and creative we cannot have such half-hearted salaries as those at present. There must be an all-encompassing viewpoint that anyone with a job must make enough to live on; that only with accumulation is it possible to achieve redistribution and expanded reproduction. We recommend that salaries be sufficient to ensure the workers' living standards and be included in production costs. At present the directors must use "adroitness" to increase the incomes of workers and civil servants. If the state allows the directors to pay adequate salaries to their workers, the calculations will be very honest and explicit, and the state can exercise management very easily.

Fifth, I recommend that the party and state must thoroughly reform the present cumbersome, gigantic mechanism, which doesn't have enough work to do. We think that in the present confused, complicated management system, more time will be required to carry out decentralization and reorganize the ministries. Therefore, so that industry can develop in a timely manner, we recommend that on the basis of the three objectives set by the Sixth Party Congress the Council of Ministers draft a list of about 20 production federations which operate effectively, place them directly under the guidance of the Council of Ministers, reorganize production, form economic-technical sectors, have specific directions, goals, and development strategy, and place them under an apparatus that is effective and is authorized, and has sufficient authority, to make decisions. If that is done, within a period of 1 year the economy will undergo a clear transformation.

The Soap Powder Corporation of the South can participate in the programs to develop consumer and export goods. We have planned the all-round development of the bleaching, artistic, perfume, fatty acid, and chemical buffer products from domestic vegetable sources (fatty oils, essential oils, agricultural raw materials, etc.), and the non-metallic minerals, and coconuts, from Nghia Binh (palm oil) and the provinces of Dong Nai, Song Be, Lam Dong, and Thuan Hai, and can increase the annual production of chemicals and raw materials to tens of billions of dong a year, exports can amount to tens of millions in foreign exchange, and more than 200 products can be supplied. In order to attain those goals, we recommend that the competent authorities:



Promptly approve a plan to organize and develop a technical economic sector--the consumer chemical goods industry, including the three principal product groups (bleach, cosmetics, and perfume)--in order to have a legal basis for its activity. That matter has been prolonged for 5 years.

The corporation should be granted a number of initial conditions, such as stabilizing the norm regarding the supplying vegetable oil (10,000 tons a year) and assign the complete norm to a locality, in order to form cooperative relationships between the raw materials areas and the production installations, and be allowed to establish direct relations with the Mekong Delta provinces to develop vegetable oil products and use 10,000 hectares to develop spice crops.

Allow the consolidation and development of an applied research center and the establishment of permanent cooperation and exchange relations with foreign countries, allow the corporation to take the initiative in sending specialists and trainees to take training in foreign countries (by using foreign exchange used by the corporation), and allow it to survey foreign markets and technical advances twice a year.

Allow the corporation to implement two different foreign trade modes with regard to socialist and capitalist countries.

Allow the corporation to implement on a trial basis management in accordance with the following mode: the state providing the initial conditions, stipulating special authority, and demanding that the economic and social goals be attained as parts of a contract which assigns responsibilities and goals to the Soap Powder Corporation of the South.

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CSO: 4209/394

## DONG THAP MEASURES FOR AGRICULTURAL DEVELOPMENT

BK050939 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Apr 87

[Text] The standing body of the Dong Thap provincial party committee recently decided on a number of measures aimed at ironing out difficulties and encouraging agricultural development in accordance with its position as the first and foremost front.

In light of the party Central Committee's Second Plenum resolution, the province will concentrate on rectifying irrational matters in relations between the state and peasants in the field of goods exchange and other obligations. The province stipulated that from now on, except for the tax obligation, the state will collect in advance payment for contracts to supply materials and old debts from peasants in paddy.

Meanwhile, all sectors, echelons, and production establishments are strictly prohibited from asking peasants to make any contribution in cash or in kind.

Those projects that must be worked out in the spirit of cooperation between the state and the people, must be considered and approved first by higher authorities. The people should not be forced to do them. Funds of various kinds in cooperatives and production teams must be properly used as prescribed under the control of the congress of cooperative members.

All primary production installations should urgently pay their old debts and taxes and settle their two-way contracts with each peasants household publicly before the collectives, and should make specific action reports to higher authorities.

District authorities will guide each primary installation in reexamining the classification of land for the purpose of rationally stabilizing the collection of taxes for 5 years.

All cooperatives and production collectives should also reconsider the contract norms for each type and area of land in a suitable manner for 3 to 5 years so that cooperative members can feel free to work.

The procedures for bartering materials between the state and peasants will no longer be applied in Dong Thap Province. Agricultural products and materials will be procured and purchased under contract according to the principle of equal prices, and will be paid for fairly.

If peasants are too poor, primary production installations should apply some form of advancing materials to them so that every family can have some means of production.

/9604

CSO: 4200/542

## GRAIN COLLECTION DIFFICULTIES REPORTED IN SOUTH

BK041554 Hanoi Domestic Service in Vietnamese 1100 GMT 2 May 87

[Radio editor's excerpts of CUU LONG and LONG AN articles on problems encountered in grain procurement "at a time when rice is being collected by the Nam Bo Delta Provinces for rapid shipment to the north to help solve problems concerning grain"]

[Summary] Under the title "Why is paddy left in the open air in an amazingly large quantity?" An article in the paper CUU LONG says: "According to reports from various districts, as of late March, as many as 5,518 metric tons of paddy in Cuu Long Province were still left in the open air." According to a contract signed between the grain office and the Riverine transport cooperative on 12 January 1987, the cooperative was supposed to transport 13,000 metric tons of grain from various districts to the province between 1 January and 30 March. "However, by 24 March--6 days before the deadline--it was able to transport only 5,428 metric tons of paddy, 141 metric tons of rice, and 1,737 metric tons of glutinous rice." Despite repeated requests by the grain office, the Riverine transport cooperative still failed to provide sufficient means of transportation.

According to Contract No 51 signed between the grain service and the state-run Riverine transport enterprise, from 1 January to 30 March, the state-run Riverine transport enterprise was to transport 10,000 metric tons of grain. "However, by 24 March, the enterprise was able to transport only 1,504 metric tons." Although the grain office requested that it fulfill the contract, the enterprise could furnish only 13 large and small barges.

According to another contract signed between the grain service and the land transport corporation, from 1 January to 30 March, the land transport corporation was to transport 5,000 metric tons of grain from various districts to the provincial and central government. "However, like the two above-mentioned units, by 24 March the corporation was able to transport only 1,414 metric tons."

The article adds: "This situation was due to the failure of the communications and transportation service to regulate the means of transportation, especially those of the Riverine transport cooperatives."

Dealing with work problems related to grain procurement, an article in the paper LONG AN says: "Over the past 4 months, Thu Thua District was able to procure only a little more than 5,000 metric tons of paddy." The article adds that in the 1986-87 winter-spring crop season, there was a lack of guidance from the district to grassroots levels. The district did not send key cadres to various villages to help them carry out grain procurement as in the past.

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CSO: 4200/542

## VNA REPORTS ON AGRICULTURAL NEWS, ACTIVITIES

OW040835 Hanoi VNA in English 0754 GMT 4 May 87

[Text] Hanoi, 4 Apr (VNA)--In the recent crop, Vietnam exported more than 15,000 tons of potato, a three-and-a-half-fold increase compared with the previous crop.

"A supplement feed for buffaloes has been developed at the human and animal physio-bio-chemistry center of the Vietnam Institute of Sciences. The supplement stimulates the buffalo's digestion of fibrous food and provides it with additional protein. The ingredients include corn powder, sugar residue, salt and microweights of vitamins. Each buffalo only needs about 100 grams of this supplement a day.

"The policy of encouraging livestock breeding among peasant families has helped increase the cattle herd of Ha Bac Province, north of Hanoi, to an all-time high of 124,000 buffaloes and 40,000 oxen and [word indistinct].

--With the timely assistance from various home agricultural services and the Food and Agricultural Organization (FAO), the central Vietnam province of Thanh Hoa has, after one month of endeavors, eradicated stinkbugs from 15,000 hectares of its winter-spring rice acreage.

--In the first quarter of this year, the bee and honey company of the central highlands province of Lam Dong produced 30 tons of honey, five times its production in the same period last year.

--In the first 3 months of 1987, Hau Giang Province in the Mekong Delta purchased from growers 1,500 tons of copra (equivalent to 6 million nuts), a three-fold increase over the same period last year. An Giang Province in the same region has also bought from producers 2,000 tons of various agricultural products, double its purchases in the same period last year. The purchases included green and soya beans for export.

--Pepper production is being encouraged in the household economic sector of Cai Be District in the Mekong Delta province of Tien Giang. This district has more than 10,000 ha of orchard, accounting for more than one-fourth

of its cultivated acreage and one-third of the province's orchard acreage. At present, the district has 250,000 pepper trees, each giving 3 kilograms of dry beans per crop.

--In the first quarter of this year, the Phu Quoc island district of the southernmost province of Kien Giang netted 2,150 tons of marine products, including 60 tons of shrimps and 5 tons of dehydrated cuttle-fish for export.

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CSO: 4200/542

## BRIEFS

NGHIA BINH RICE TO HANOI--According to a Voice of Vietnam correspondent's report, the party and people's committees of Nghia Binh Province, showing their willingness to help solve the difficulties regarding grain supply in the preharvest period, has decided to procure an additional 20,000 metric tons of paddy for the central government. On 2 May, the first shipment of rice, totaling 450 metric tons, left the port of Quy Nhon aboard a freighter while another 200 metric tons were trucked to Hanoi. The province is striving to complete the shipment of 10,000 metric tons of grain between now and 15 May and will transport to the north another 10,000 metric tons of grain toward mid-June. [Text] [Hanoi Domestic Service in Vietnamese 1100 GMT 5 May 87] /9604

YOUTH WORK IN STATE FORESTS--Song Be Province has sent more than 300 Assault Youth to develop the Bu Dang and Thong Nhat state forests in Phuoc Long District. During the first 3 months they will be paid salaries based on time, then their salaries will be based on output. The province provided them with clothing, mosquito nets, blankets, and a number of essential items. After 2 years of labor they will be selected for vocational training and will be provided appropriate jobs. Those who volunteer to remain to develop the state forests for along period of time will be provided a house frame and 2,000 to 2,500 square meters of land so that they can participate in the family economy. [Text] [Hanoi NHAN DAN in Vietnamese 3 Mar 87 p 1] 5616

CSO: 4209/380



## INDIVIDUALS ALLOWED TO CONDUCT VOCATIONAL TRAINING CLASSES

Hanoi HANOI MOI in Vietnamese 15 Mar 87 p 1

[Article: "All Organizations and Individuals May Hold Vocational Classes and Offer Apprenticeships"]

[Text] Carrying out the new decision of the municipality, the Municipal Department of Specialized Education has issued temporary regulations regarding the organization of private vocational and apprentice training:

1. All organizations and individuals may give vocational and apprentice training to develop the production and service forces.
2. People who organize apprenticeship training must be professionally qualified and not have contagious diseases. When they start a class they must inform the subward or village people's committee.
3. If a vocational class is organized to train people in trades in accordance with state stipulations, the instructors must be have full technical and specialized qualifications, have teaching ability, have training curricula, contents, and goals, and have the necessary conditions for teaching and study. The students must meet the stipulated standards.
4. They may accept the guidance and specialized supervision of ward or district vocational training centers.

People who take vocational training will, if they fulfill all conditions and pass the final examination, will be recognized by the ward or district vocational training center and be granted a vocational certificate.

5. Tuition fees will be negotiated by the instructions and students.

If any regulations are found to be irrational in the implementation process, it is recommended that the vocational training center or the Specialized Education Department be promptly informed so that they can be studied and amended.

5616

CSO: 4209/394

## WAYS TO REDUCE UNEMPLOYMENT AMONG YOUTHS DISCUSSED

Hanoi NHAN DAN in Vietnamese 16 Mar 87 p 3

[Article by Le Thi Tuy, Youth Research Institute: "Jobs and Careers of Youths"]

[Text] The resolution of the Sixth Party Congress stated that "providing jobs for the laborers, particularly in the cities, and for youths is the leading socioeconomic task in the coming years."

Each Year, More Than 1 Million Youths Will Need Jobs

According to statistics, unemployment now stands at 1.6 million people. On the average, based on the population growth rate, each year, more than 1 million young men and women enter the ranks of those looking for work. In the large cities such as Hanoi, Haiphong, Danang, and Ho Chi Minh City, youths account for more than 80 percent of the unemployed. Economically, this is a large labor force that can be used to produce goods for the country and that can make an important contribution to the scientific and technical revolution. Socially, these people must be trained well so that they can serve as masters of the country now and in the future. Labor, or work, is the basic condition for educating, training, and building the new socialist people. Millions of youths are at an age of rapid physical and mental development. If they don't have jobs and can't earn enough money to maintain their standard of living at a time when the material and spiritual needs of youths are increasing, this will lead to negative social phenomena.

Based on studies done in the large cities, approximately 55-60 percent of the youths ages 16 to 30 who are unemployed consist of students who have not gone on to Grade 10, students who have not completed general middle school and who have not passed the college-entrance examinations, and students who have not completed vocational middle school. This includes youths who have quit their jobs at cooperatives, enterprises, and state agencies, youths who have returned after fulfilling their military obligation and obligation with assault youth units, youths who have received classroom training but who have not been assigned a job, youths who have returned after engaging in international cooperative labor, and a number of youths who deserted or who have been released after being detained for reform. Of these, the number of youths who have been looking for work for 2 to 3 years or more is increasing

daily. Because of this, the number of youths who have "turned" to crime is increasing daily, too. There are warning signs about the degenerate lives of a number of urban youths. The number of youths who turn to crime because they don't have jobs and who roam the streets aimlessly is increasing.

The special characteristic of these youths is that they don't have a job. They don't have a profession or a serious viewpoint concerning a career. In the labor zones and wards, handicrafts production and services can be expanded, but only about 10-15 percent of the youths can do such work. Among the children of the cadres, workers, and civil servants, the percentage of youths who can do one of these jobs is even lower. According to initial data, more than 90 percent of the unemployed youths are people who do not have an occupation.

What problems does the above situation pose? Why are more and more youths entering the ranks of the unemployed? Is there any way to solve this problem?

Basically, over the long term, there must be more active measures to educate and mobilize people in order to reduce the population growth rate to a level in accord with the economic growth rate. There must be policies to limit the migration of unemployed and unskilled people to the cities. Increasing urban population engineering through immigration must be planned.

Do Not Regard "Having a Job" as Synonymous with "Joining the State Staff"

With respect to the youths who are now looking for jobs in the cities, we feel that there are several urgent problems that must be solved:

Many wards and subwards have made an effort to create jobs. Recently, Hanoi and Ho Chi Minh City implemented a number of regulations to stimulate an expansion in individual production, the family economy, and the service sectors. This great concern on the part of the party and municipal authorities has enabled youths to find work. However, the youths and their parents must have a correct viewpoint on work and careers. An incorrect viewpoint that is now quite widespread is that "having a job" is equated with "joining the state staff." Because of this, many people who already have jobs are making a great effort to find work with a state agency or enterprise. A survey of 4,904 youths in Hanoi who said that they did not have a job revealed that actually, more than 52 percent of these youths earned enough to support themselves by doing work within the family, engaging in handicrafts production, making goods on contract for the state, doing domestic housework, tending livestock, and working for others in the service and trading sectors.

Thus, there must be a new viewpoint on work. In the country's present situation in which the economy must be expanded, youths must understand that a job is any legitimate productive labor or service activity carried on within a collective or family or carried on individually that benefits society and earns an income for the laborer. All of the labor activities that earn an income, such as engaging in production, working on contract at home, engaging in service activities, doing domestic household work, participating in

"partnerships," and even working for private individuals when this does not violate central or local state regulations, can be considered to be jobs. Thus, those who engage in these activities have jobs.

It is also necessary to distinguish between a job and a career. Some people have a job, but they really don't have an occupation. (There are many such people in the administrative organizations.) We should use the word "unemployed" only when referring to a skilled worker who is out of work. An unskilled worker who does not have work should be referred to as a person who does not have a job.

An occupation is a job for which there are rules and regulations and that can be taught and learned. Based on this, laborers use their ingenuity and constantly perfect the regulations and work based on the rate of progress of science and technology. Usually, many occupations are concentrated in the cities. There are many talented craftsmen in Hanoi, and traditional occupations are remembered in the names of streets and subwards. Based on the above occupational viewpoint, if we include both the traditional and newly-developed occupations in the production and service sectors, we have a huge number of occupations essential to life. Based on the development tendency of science and technology, many occupations are opening up in the cities: integrating the production of a finished product, producing product parts, carrying out each production task, engaging in circulation services, and so on.

#### To Have a Stable Job, Must Have an Occupation

Job and occupation are two sides of the same problem. To have a stable job, a person must have an occupation. For a long time now, in teaching job skills to youths, attention has been focused only on regular forms such as opening vocational and work-study schools. More flexible forms of teaching occupations and passing on skills must be developed, such as tutoring, seeking out excellent workers and professionals in order to learn from them while helping them with the work, encouraging workers with technical standards to open vocational classes, having the state and people cooperate in organizing things to pass on skills, and so on. The enterprises and agencies can expand the contract system and employ people who have had vocational training.

As for teaching people about the concept of occupation beginning when they are very young, families, schools, mass organizations, and propaganda and education organizations must give children a correct understanding of creative labor and fill them with the desire to grow up to become excellent laborers and well-rounded people. Public opinion must attach importance to people with excellent skills, the golden hands of the professionals. People must be encouraged to master a skill and know many others.

A matter of decisive importance is to implement suitable policies and procedures to encourage youths to study a vocation and work hard.

From recruiting laborers in the cities, it is clear that while youths are looking for jobs, they are being too "choosy." The reality is that while many youths have sent in job applications, there are many jobs that youths don't

want even though there are openings. Conversely, large numbers of youths submit applications for jobs for which there are few openings. They run about here and there trying to get one of these jobs. The surveys that have been conducted allow us to compile a list of the jobs and occupations that youths like and don't like. Here, there are both ideological and policy problems. Parents play an important and sometimes decisive role in instilling wrong ideas in their children about jobs and occupations. However, policies and positions to encourage youths to work and select jobs are of primary importance. Let me give an example. Many youths do not like the building industry. There are dozens of sayings and folk songs reflecting people's dislike of this industry. Analyzing the various reasons why youths dislike the building industry, it is clear that in terms of procedures and policies, the main reason is that wages are low and irregular, the work is hard, life is not stable, the work is not regular and does not maintain family life, the work does not provide the person a chance to learn in order to raise his standards, and it is difficult for the person to develop his talents. There are various psychological reasons. For example, public opinion looks down on this work, families are not supportive, and it's necessary to work with people who have a police record or who have undergone reform, which makes it difficult to feel at ease. But why do so many youths want to enter the building field if they can engage in cooperative labor abroad (which requires that they live tens of thousands of km away from home)? And in that new environment, the youths feel relaxed, they are enthusiastic about the work, and they manifest their talents. Many Vietnamese youths have manifested excellent skills, done excellent work abroad, and received much praise abroad. Providing correct procedures and policies for each type of work, particularly technical work and heavy work, is essential in order to bring about social equality and encourage people to do a good job and improve their skills.

One direction in providing jobs for urban youths is the formation of assault youth units to do afforestation work, reclaim wasteland, and build new economic zones. This is a good way to involve the youths in work that will enrich the country and provide them with training that will turn them into new socialist people. Unfortunately, some places have not organized this work well and they do not have suitable procedures and policies. As a result, youths are not enthusiastic about such work. Of course, the obligations of youths in building and defending the country must be determined. Youths should not demand adequate conditions and adequate procedures and policies as a prerequisite to participating in labor. But in talking directly with youths, many said that putting forth procedures and policies usually takes a long time and things are implemented slowly and improperly. This affects the lives and enthusiasm of the youths.

Providing the minimum material and spiritual conditions for a project and giving appropriate training to the laborers engaged in that work are items that must be included in the plans. Social policy must go hand in hand with economic policy. Many youths have a high cultural standard and know what the level of investment must be in order to reclaim a hectare of wasteland, safeguard a section of road, and build a house.

## Youths Want Social Equality, Society Must Return Correct Value to Laborers

When they enter economic life, youths demand social equality. This starts with providing jobs. The present lack of equality is having a great effect on the thinking of youths who are looking for a job. Many youths feel uneasy when they have to do heavy work in remote areas while other youths whose standards are no higher than theirs find lucrative posts where they can lead a comfortable life and grow rich quickly just because they have friends or because they pulled tricks or paid a bribe to get the position. There must be firm regulations, and the way that jobs are provided must be controlled right from the labor agencies and cadre organization offices in order to bring about equality and oppose negative phenomena.

There must be policies and procedures to return correct value to the laborers and enable the laborers, regardless of their occupation and regardless of whether they are in or outside the state staff, to receive material compensation, appropriate praise, and training, including classroom training and trips abroad to improve their skills, if they do an excellent job and make good contributions to the country. If such procedures and policies are implemented, the country will not lack highly skilled laborers.

11943

CSO: 4209/402

## ROLE OF FEMALE LABORERS IN AGRICULTURE DISCUSSED

Hanoi NHAN DAN in Vietnamese 18 Mar 87 p 3

[Article by Le Trong, MA, chairman on the topic "Basic Problems Concerning Female Laborers in Vietnamese Agriculture": "Is There Anything To Be Concerned About With Respect to Female Laborers in Agriculture?"]

[Text] To successfully implement the three major economic programs put forth at the Sixth Party Congress, the role of the laborers is decisive. Among the total number of agricultural laborers, female laborers hold an important position, with 55 percent of the laborers nationwide. In the rural areas, female laborers account for 66 percent of the laborers. Altogether, female laborers account for 57 percent of the laborers in the agricultural economy.

How many agricultural products have these laborers produced?

Looking at the number of agricultural products produced by women in the economic elements, it can be seen that the percentage of products produced directly by female laborers in the collective economy is approximately 65 percent.

At the state farms, 58-70 percent of the products are produced directly by female laborers. In the family and individual economies, the percentage of products produced by female laborers is fairly high. Thus, on the average, the volume of agricultural products directly produced by female laborers in the agricultural economy accounts for more than 70 percent of the products, not 50 percent as a number of comrades have calculated.

Agricultural production is a complex and difficult production sector that is tied to natural conditions and that is greatly affected by nature. This is the striking difference between agricultural production and industry. Recognizing the laws of living things in order to coordinate things with the natural environment to form a unified system is not simple or easy.

Starting from the special characteristics of agricultural production, the production sector is tied to a living organism and lengthy production cycle. The crops bear the nature of the agricultural season, and production takes place outside over a broad area. Above all, the laborers and labor tools are constantly being moved, land, topographical, weather, and climatic conditions

are highly varied, and the population is scattered. And there are many other factors and special conditions that have an effect. Thus, there must be appropriate technical equipment, and the laborers must be knowledgeable about science and technology and have specific labor skills.

With respect to female laborers, it is necessary to start from their psychological and physiological needs and from the fact that outside the time they spend in productive labor, they must perform a number of other tasks in carrying out their role as mother and housewife. Female laborers who work at a state farm spend about 4 hours and 45 minutes a day carrying out their duties as mother and housewife. Those who work as cooperative members spend about 5 hours and 30 minutes on their housework.

Because of the special characteristics and requirements of agricultural production, many economists in the world feel that investments in agriculture must be increased. They feel that to increase labor productivity, investments per laborer must be 1.5 to 2 times higher than investments in industry.

After studying the relationships mentioned above, in general, we have not provided the minimum conditions for the female laborers in many spheres. For example, there are not enough manual tools and the tool are not good. As a result, labor productivity in a number of tasks, or the number of products produced during 1 working day, has not increased and has even dropped. Also, the means of protecting the laborers have not satisfied the needs of the laborers in the various sectors and regions, which have different production conditions.

As for the relationship between laborers and the basic rights of female laborers (for the period 1981 to 1985), the amount of time spent working (including doing productive labor for the collective economy and the secondary family economy, doing household work, and raising children) ranges from 8 to 16 hours a day, with the average being 11 hours and 30 minutes a day. And women are engaged in production 302-336 days a year. Male laborers in agriculture work only 7 hours a day (including the types of work mentioned above), and they work only 222-275 days a year. During a year, the amount of time that female laborers spend working is 2.07 times (207 percent) greater than that of male laborers. Calculated based on the labor laws, male workers work 8 hours a day for 280 days a year while female workers in the rural areas work 1.63 times longer. But women earn only 60-80 percent of what the men earn. And as compared with other sectors outside agriculture, this difference is even greater. Thus, it is clear that female agricultural laborers work the hardest in difficult working conditions, but they receive the least in terms of compensation.

Something that is so obvious that it is like a law is that whenever the economy of the country or of a region or family encounters problems, it is the female laborers who bear the greatest shortages and who experience the greatest difficulties. The level varies depending on the means of production and on the situation with respect to the economic growth of the family and society, which are decisive.



In order to implement the resolution of the Council of Ministers on manifesting the role and ownership capabilities of women, we feel that there are many problems that must be studied and solved, particularly concerning female laborers in agriculture.

But studying this problem is not only a broad topic in the sphere of female laborers. It is also related to a whole series of issues concerning nature, the economy, and society and to the entire national economy. Above all, there are issues concerning the integrated expansion of the rural areas (expanding the economy, building the new rural area, emancipating women, and so on) at different points in space (regions) and time. Each point in space and time contains countless special characteristics of female laborers. Because of this, this is a highly integrated topic that has a very broad scale. Not only must there must be a methodology and suitable methods of scientific research, but there must be forces, time, material conditions, and an appropriate spirit.

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END