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9 JUNE 1987



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EDITORIAL VIEWS IMPACT OF U.S. PROTECTIONIST, TRADE ACTIVITIES

Melbourne THE AGE in English 22 May 87 p 13

[Editorial: "A Small Voice in a Big War"]

[Text]

TO understand the difficulties facing Australia's all-party trade mission to the United States, one need look no further than the terms of a proposal adopted by the US Congress late last month. The Gephardt amendment (named after its principal sponsor, Mr Richard Gephardt) seeks to impose retaliatory trade sanctions on nations which have hefty surpluses with the US — namely Japan, Taiwan and South Korea. That such a protectionist piece of legislation should be acceptable to the House indicates the frustration and anger felt by many Americans at what they see as unfair trade practices by other nations. It should be noted, however, that the amendment passed only by 218 to 214 votes. It would not be sustained should President Reagan decide to veto it. America has been displaced as the most powerful trading nation by Japan and, worse, the US has become the biggest debtor in the world. Jobs are being lost in manufacturing and the rural sector has been suffering for some time. It is natural that the US is doing what any country in that position would do — it is looking for scapegoats and a way out.

The scapegoats are those nations which have been the modern mercantile successes: principally Japan, Taiwan and South Korea, although there is some resentment towards West Germany and Italy. They have run up unsustainably large trade surpluses with the United States (the US had a \$A236 billion trade deficit last year), which has driven the dollar down and interest rates up, and raised the prospect of a new round of inflation. The way out, at least in the minds of the Democrats, is for the US to defend itself against "unfair practices" by imposing tariffs and otherwise restricting imports until the imbalances are brought back to equilibrium. The other countries, particularly Japan, could ease the tension by stimulating their own economies and buying more US goods. Despite several promises from the Japanese Prime Minister, Mr Nakasone, and the imposition of selective tariffs in the US, nothing useful has been done.

The US is also fighting a trade war against the Europeans. The EEC's subsidy programs have created huge stockpiles of rural commodities, many of which have been dumped on markets formerly held by the US and/or Australia. In combating this, the US has squeezed some Australian markets,

although not to the extent some local farm agencies seem to think. Australia is one of the United States' strongest allies, which counts heavily in our favor in trade talks. Still, the US administration is under pressure from a Democrat-controlled Congress and from rural and blue-collar lobbyists. Where Mr Reagan might once have been able to turn aside such protectionism, he now is preoccupied with the "Irangate" scandal. His public credibility may be too damaged to allow him to pursue his free market policies over the head of Congress, as he might have done with success in the earlier years of his presidency.

It is into this battlefield that the small-to-middle-sized trading nation of Australia carries its plea for a fair go. Our coal exports are already taking price cuts in Japan and companies are struggling just to maintain previous volumes. The rural sector, with the exception of wool, is struggling. The export of manufactures is picking up but, with the Australian dollar sitting above 70 cents US, remains delicately poised. Australia will suffer if the US, Japan and the other big Asian traders, West Germany and the wider EEC, begin shaping bilateral trade deals. This country needs easy, competitive access to as many markets as possible. Australia has taken steps (some admittedly tentative and slow) to reduce its protection levels and it would be to our great advantage if other countries were to do the same. It is vital also that Australia continues to fix its local costs — including wages and taxes — at levels which allow industries to compete internationally. Trade missions, whether from industry, Parliament, embassies or the Government, are useful and should continue on a regular basis. They promote the arguments and interests of Australia and other small traders and increase the chances of our holding our market share. With Australia's rural and mineral exporters hard pressed to retain old price levels and volumes, the last thing we need is to be caught in the crossfire of a trade war.

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CSO: 4200/623

LIBYA AGENT'S CONVICTIONS, ACTIVITIES REPORTED

Melbourne THE AGE in English 23 May 87 p 2

[Profile by David Elias of David Pash, administrator of the Libyan Cultural Center: "Gaddafi's Man Is a Lone Voice Preaching the Green Book Gospel"]

[Text]

THERE are three versions of why the Federal Government has decided to break off diplomatic relations with Libya and expel its envoys. And all of them somehow involve Robert Pash.

In his announcement on Wednesday the Prime Minister, Mr Hawke, cited Libya's destabilising activities here and in the Pacific, and Mr Pash agrees that he has visited Vanuatu armed with a bundle of Colonel Gaddafi's Green Books and other similar written material.

He has conducted lectures there on the aims and objectives of the revolutionary Mathaba World Centre against Zionism, Racism and Imperialism. He held discussions with the Prime Minister, Father Walter Lini, and some of his ministers.

There is Mr Pash's own view that the expulsions relate to the visit to Libya of Tasmanian Aboriginal activist Mr Michael Mansell and in that Mr Pash played a key organising role and now he is promising to send many more Aborigines.

And then there is the opinion of fellow Libyan supporter Mr Bill Hartley, who believes that Mr Pash's own recent statements on the Mansell situation may have influenced the decision.

There seems little doubt now that once the official Libyan representatives fly out next week the job of taking the message of the Green Book to the people of Australia rests with this 24-year-old activist whose only academic qualification is a certificate from a correspondence course in journalism, the name of which escaped him when he was asked this week.

Mr Pash, the full-time Libyan Government-paid administrator of the Libyan

Cultural Centre in Sydney Road, Brunswick, is far removed from the popular image of a swarthy, rough, tough, gun-toting terrorist. He is a personable young man with a clean open face, blue eyes and fair wavy hair. He is smartly dressed, ever polite, always respectful and looks the type any mother would be proud to call her son.

He was brought up in a working class family in Brisbane, the son of an interior decorator, and was a student at Brisbane Technical School, where, he says, he first became interested in journalism and international affairs.

He has a simple view of the world's troubles, believing there are only three choices — capitalism, communism and Libyanism. The first two are unacceptable because they create inequality and oppression, leaving the third as the real path to world peace and economic stability in the only true democratic society which gives everybody control of their destiny.

The dissemination of this message is a task he has taken to with born-again zeal since his enlightenment when, at 18, he wrote to the Libyans for information and was supplied with a copy of the Green Book. With a group of friends he put his journalism skills to work as publishers of a newsletter in support of the Gaddafi regime, work which soon earned him an invitation in 1982 to Libya.

He was there for three months as a guest of the Libyan Information Department. At a conference on the teachings of the Green Book he found himself rubbing shoulders with Mr Hartley and like-

minded adherents from organisations such as the IRA, the Palestinian movement, the West German Greens and the American Black Muslims. Then there were visits to farms, industrial complexes, new housing areas and the like.

He said it convinced him further that Libya had set a model for the world to follow and on his return he founded the Australian People's Congress, an organisation that has grown painfully slowly and still has only about 250 members.

In the years since he has been back to Libya three times and until the Libyans asked him last year to take over the administration of the cultural centre he earned his living writing for pro-revolutionary organs in Australia and overseas.

At the slightest invitation he will speak fluently and at length about the virtues and ideals of the hero he never fails to name without respectfully using the full title, Colonel Gaddafi. It is always a message of friendship with the people of the world and a denial of the charge of destabilisation or terrorism, preferring instead to talk of righting injustice and liberation.

The enemies are America with its domination of the Western economic structure and Israel, the Zionist state which Mr Pash equates with anti-Arab racism. In this picture the Australian Government is seen as a tool of both.

At the conference of revolutionary movements in Tripoli in March 1986 that saw the founding of the Mathaba World Centre he gave an address in which he put his perspective of Australia. He agreed that this was much along the same critical line of most of his writing.

"I talked about Australia's position in relationship to the world, how the Aus-

tralian Government was not a government which believed in representing the will of the Australian people but the will of big business, of US imperialism and Zionism in this country."

This was a month before the American bombing of Tripoli and Benghazi, which he describes as an outrage and a lie. "The excuse was terrorism in Europe but they were really trying to stop Libyan support of liberation movements around the world, hoping to stop Colonel Gaddafi's ideas being spread around the world. Now 12 months later the Americans have admitted it."

Since the announcement of the closure of the Libyan People's Bureau in Canberra this week Mr Pash has been voicing the sort of outrage that the diplomats still dare not. He has promised a campaign of pressure against Australia from the Arab and Islamic world and said that he would do his utmost to see that the real truth, Australia's faithful reproduction of US policy, was carried to the Black Muslims of America and elsewhere.

During an interview in a Melbourne hotel this week he had complained that recent parliamentary claims by the Minister for Aboriginal Affairs, Mr Holding, that he was associated with a white racist organisation, had been the result of disinformation from an Israeli-backed organisation led by a man he described as an apologist of Zionism.

Asked how he would feel if he was described as an apologist of Colonel Gaddafi, he conceded that he would have to accept it but he said he would refute any suggestion that he was anti-Australian. "I am for the Australian people but anti the Australian Government," he said.

HALFPENNY, RADICAL UNION ORIGINS OF FIJI CRISIS ALLEGED

Melbourne THE AGE in English 26 May 87 p 13

[Commentary by Michael Barnard: "Fiji Unions Learnt From Halfpenny"]

[Text]

FIJI'S new administration can be expected to take a close look at the involvement of Australian and New Zealand unions in South Pacific affairs.

Although it is not widely understood in Australia, far-left unions such as the Amalgamated Metal Workers Union, as represented by former Communist Party stalwart John Halfpenny, played a significant role in creating the political backdrop to the formation of the Fiji Labor Party in 1985 and its narrow election victory last month, in coalition with the Indian-based National Federation Party.

This upset for the long-running Alliance Party of the native Fijians — due in part to the Labor Party's seduction of urban Fijians from traditional tribal loyalty — set the stage for the military coup aimed at protecting the interests of the native Fijian minority.

Australian radical left influence in Fiji's political transformation, which must be considered in the wider regional context of other externally-inspired activism such as the anti-nuclear, anti-Western bases, "anti-imperialism" push, is well documented. Mr Halfpenny played midwife to the Pacific Trade Union Forum in 1980, and the Fijian Trade Union Congress, a key component of the forum (or Community as it now prefers to be called), in turn inspired creation of the union-based Fiji Labor Party.

In its report to the fourth Pacific Trade Union Conference last year, the Fijian delegation reported unambiguously that "The Fiji

Labor Party owes its birth to the Fiji Trade Union Congress". It went on: "We are hopeful that the trade union movements in Australia and NZ will assist the Fiji Labor Party through the FTUC in establishing a Labor Government in Fiji in next year's general elections."

Colonel Rabuka and his colleagues are unlikely to overlook such a background as they seek to dampen confrontation and steer Fiji back to the calm which marked the country in independence during the best part of two decades.

As for the origins of the Pacific Trade Union Forum, which today draws together unionists from Australia, NZ, Japan, Fiji, Vanuatu and some other Pacific island states and territories, it may be noted that the metal union journal 'The Metalworker' (vol 2 No 1 1981) proudly asserted that the forum had been formed mainly as a result of initiatives by the national executive of the union, and that Mr Halfpenny had been delegated "to establish contact with trade union movements in the Pacific area with a view to developing policies of mutual concern to workers in the region and also to join forces on problems of common concern".

Such "concerns" predictably have turned out to include several common to the far-left agenda, notably the "nuclear-free zone" clamor and other ostensibly respectable devices aimed at the minimisation of Western influence in the region — something which does not appear to have deterred the ACTU from climbing

into bed with the forum, or the Hawke Government from blessing it. Now, through their clamor for sanctions against Fiji, some Australian unions are once again attempting to dictate the nation's foreign policy.

Analysts such as Dr John Whitehall ('Quadrant' October 1983) point out that in 1978, a year before Mr Halfpenny quit his long membership of the Communist Party, later to enter the ALP, both he and Mr Pat Clancy (Building Workers Industrial Union and at that time also president of the avidly pro-Soviet Socialist Party of Australia) were delegates in Prague at the 9th congress of the Soviet International front, the World Federation of Trade Unions.

This conference trundled out the usual cliches about imperialism and world peace but more significantly, in the words of a BWIU office report, reflected the need for a Pacific regional organisation to establish increased "solidarity", support independence movements, seek removal of "aggressive" foreign military bases and pacts (although not in the case of Vietnam, one assumes) and so forth.

Mr Clancy, assisted by Mr Ernie Boatwain, promptly obliged with the Sydney-based Committee for International Trade Union Unity (CITUU). Mr Halfpenny followed up with the PTUF, after it had been championed by a 1980 peace conference in Hawaii attended by substantial delegations of the Australian far left. A year later, with Messrs Halfpenny and Clancy present, the CITUU and PTUF joined hands in Vanuatu — coincidentally, less than a year after the WFTU, at its 31st session in Moscow, had declared a central objec-

tive of its regional program for Asia and Oceania to be the organisation in 1981 of a "successful" trade union unity conference.

Mr Halfpenny's organisational prominence may be noted from his position as convenor of the first preparatory meeting of the Pacific unions in Fiji in November 1980. Acknowledgement of this and subsequent work has been unstinting. For example, the report of the Fijian Trade Union Congress to the 1981 Pacific Trade Union Conference in Vanuatu applauds "the efforts initiated by Brother John Halfpenny... to organise a trade union platform of all countries in the South Pacific" and expresses appreciation of "the tremendous volume of work put in by Brother John Halfpenny and Brother Bill Richardson to make this conference a success and the Pacific Trade Union Forum a reality".

It is fair to question whether Fiji's problems today would have been half so tragic without the export to the region of ideologies more applicable (if at all) to heavily industrialised Western societies than to a non-industrial Pacific island community of delicate (but hitherto workable) ethnic balance. The Pacific anti-nuclear campaign, whether one is for or against, has become the vehicle for other "progressive" influences through which Australian radical-led unions have sought to "enlighten" Pacific communities.

More than Colonel Rabuka might come to the conclusion that restoration of paradise in the Pacific is ill-served by the likes of the AMWU, Meat Industry Employees Union, Food Preservers Union, NSW Teachers Federation and other pillars of moderation in Australian society.

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CSO: 4200/623

SCHOLAR CRITICIZES CANBERRA 'LECTURES' TO NEIGHBORS

Melbourne THE AGE in English 26 May 87 p 13

[Commentary by Harold Crouch, senior fellow in the department of political and social change at the Australian National University's research school of Pacific studies: "The Pacific Needs No Australian Big Brother"]

[Text]

DURING the past few decades Australia has gradually been learning to live with Asia. We have slowly come round to the realisation that the sovereign states of the Asian region do not take kindly to lectures from well-intentioned Australians about how they should run their own countries.

The cultures, economic circumstances and past political experiences of our Asian neighbors make it inevitable that their political perceptions and policies will often differ from ours.

This does not mean, of course, that we should never make value judgments or that we must always endorse whatever Asian governments do, but over the years we have become more circumspect in expressing our views and more wary of the pitfalls of taking the moral high ground.

Developments in the past fortnight, however, suggest that we still need to learn similar lessons about how to live with our South Pacific neighbors. Australian leaders have given the impression that we might be aspiring to the role of guardian of the South Pacific, although in practice we could be in danger of becoming the region's nagging nanny.

I do not mean to suggest that the

Australian Government should be indifferent to developments such as Vanuatu's links with Libya or the military coup in Fiji. But it is a quite different matter when we give the impression that the Pacific states are somehow obliged to eschew policies and constitutional arrangements which do not meet with Australian approval.

The Vanuatu Government believes that its interests are served by closer relations with Libya, which supports Vanuatu's regional policies on such issues as French nuclear testing, the Kanak independence movement and the OPM resistance in Irian Jaya. Intelligence reports also claim that Libya has given limited paramilitary training to small numbers of political activists from Vanuatu and New Caledonia, and might provide funds for the OPM.

Australia is clearly in no position to object to Libya setting up a diplomatic mission in Port Vila or providing economic assistance. The problem apparently lies in the paramilitary training; but there can be no grounds for questioning that Vanuatu has a right, like any other independent country, to send people abroad for military training unless it is believed that the purpose is to create a force to threaten the security of other regional states.

If Vanuatu decides to send small numbers of people to Libya

for limited training, we might judge them unwise but it is essentially Vanuatu's business.

It is also claimed that Vanuatu is, or might become, a conduit for Libyan support in the form of funds and possibly arms to the Kanak and OPM movements. Libyan support to these movements is presumably seen as a threat to "regional stability". But the real source of the threat to regional stability in these cases lies not in Libyan support but in the policies of the French in New Caledonia and the Indonesians in Irian Jaya.

France and Indonesia introduced arms to these territories long before Libya came on the scene. The Kanak liberation movement will continue to threaten "regional stability" as long as the French refuse to work out a satisfactory plan for decolonisation, while the OPM problem will not disappear until the Jakarta Government can assure the

people of Irian Jaya that it is truly serving their interests.

It also needs to be kept in mind that the main centre for the dissemination of Libyan influence in the region is not Vanuatu but the Libyan mission in Kuala Lumpur. Australia will look like a regional bully if we publicly put pressure on Vanuatu while very wisely leaving Malaysia to make up its own mind about the Libyans.

In the case of Fiji, the Prime Minister condemned the military coup as "politically unacceptable action" and virtually demanded the restoration of the Bavadra Government, while the Governor-General reportedly telephoned his Fijian counterpart "to press the need for him to stand firm against the military coup, abide by the Constitution and insist that the elected government be reinstated".

Although these sentiments would be unexceptionable if made by ordinary Australian political commentators, they raise different issues when made by official spokesmen of the Australian Government. Who is the Australian Prime Minister to determine what is "politically unacceptable" in Fiji? By what right do members of the Australian Government declare that the present Constitution is the most appropriate one for the people of Fiji?

Would not an Australian Governor-General be offended if, during a constitutional crisis, he received gratuitous advice from his Fijian counterpart to "abide by the Constitution"? Would an Australian Prime Minister or Governor-General try to apply similar pressure to their counterparts during domestic political crises in Washington, London or, for that matter, Beijing or Jakarta?

Mr Hawke also said that Australia would consider the withdrawal of military and other aid to Fiji if democracy were not quickly re-

stored. Yet at the same time we provide military aid to other, bigger countries where democracy has been abandoned.

From the perspective of the states of the South Pacific, it must seem that Australia, like the schoolyard bully, is willing to throw its weight around only where the little boys are concerned.

I do not mean to suggest that Australia should simply endorse the change in regime in Fiji. It would have been improper for Australia to extend early recognition to the new regime and we should indeed reconsider aspects of military aid which in effect support one of the contestants in the present struggle.

But the character of Fiji's political system is something for Fijians to work out among themselves, taking into account the very special features of their society which have no parallel in Australia. It is not the Australian Government's business to tell neighboring countries that their form of government must conform to the Australian model.

It is time for Australian leaders to stop behaving as if the South Pacific mini-states were children in need of moral and political guidance. Our political practices are not necessarily best for quite different societies. Further, Australian lecturing to the small neighboring states rings hollow when they see that we don't apply the same standards to big neighboring states. In the end, no doubt, Australian leaders will find that paternalistic advice to our South Pacific neighbors will be just as counter-productive as we have found in the case of our Asian neighbors.

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CSO: 4200/623

ACTU UNVEILS PLAN TO STREAMLINE UNIONS

'Super Unions' for Survival

Melbourne THE AGE in English 22 May 87 p 1

[Article by Brendan Donohoe]

[Text]

The ACTU last night unveiled an ambitious draft plan to reshape the Australian union movement.

Slashing Australia's 326 unions to about 20 big "super unions", improving the relevance of unions to workers and avoiding employers' legal attacks on unions are the keys to the plan.

The secretary of the ACTU, Mr Bill Kelty, the main author of a document entitled 'Future Strategies for the Union Movement', is pushing the normally snail's pace of union amalgamations as a way to ensure the survival of the union movement into the 1990s, particularly under non-Labor governments.

Australia's 3.18 million unionists belong to 326 registered unions, which, the report says, results in unions duplicating services, straining their resources and relying on overworked full-time officials or unpaid rank-and-file work.

About half of unionised labor belongs to Australia's 16 biggest unions, each with more than 50,000 members. In contrast, 1.7 per cent of unionists belong to 155 unions with less than 1000 members, while 7.8 per cent belong to 239 unions with less than 5000 members.

The draft plan urges unions with a common interest to form industry federations as the first step towards legal amalgamation. Among the suggested amalgamations is the formation of a 300,000-plus member union by merging the Australian Workers Union, the Miscellaneous Workers Union and the Liquor Trades Union.

Other industries suggested for mergers include transport and distribution, building, government, communication, education, retail and clerical, banking and finance, health and the metal industry. The Federal Government's Industrial Relations Bill makes mergers easier and warns unions with less than 1000 members that their existence will be scrutinised.

But due to political, personality and industrial differences in unions built up over decades of protecting their autonomy, the ACTU realises that the path to amalgamating into about 20 big unions will be a painful process.

The plan says unions must develop investment strategies to avoid relying on union fees for 90 per cent of their finances. It outlines the financial and physical potential of big unions.

The increased financial base could be used for industrial "fight-

ing funds", more research and a move by unions into increasing services such as banking and credit facilities, superannuation schemes and investment advice.

The document says unions must exercise restraint in the use of secondary boycott action, be prepared to beat strategic retreats, to tread carefully with all forms of industrial action and work within the discipline of a centralised wage-fixing system.

Unions should realise that "legal action can destroy a union" and that rank and file members may have to be absorbed into other unions or protected as members of unregistered unions.

Mr Kelty said that the document presents a "formidable agenda" for unions to absorb but must be addressed if unions "can hope to survive as a rigorous and effective force into the 1990s and beyond".

The document, which involves a restructuring of the ACTU executive and an affirmative action plan to guarantee at least three women on the male-dominated executive, will be debated by all unions before action is taken at this year's ACTU Congress in Melbourne.

Editorial Views Improvements

Melbourne THE AGE in English 25 May 87 p 13

[Editorial: "ACTU's Bold Plan for Super Unions"]

[Text]

AUSTRALIA has inherited some of the worst features of British trade unionism. Two of the most troublesome and entrenched are the number of trade unions and the type of work they cover. During the past 100 years Australia has developed an uncomfortable number of unions, being neither so many (as in Japan) that they focus primarily on plant level issues, nor so few (as in West Germany) that they have strong industry and national cohesion. Our 320 unions are just enough to make national policies difficult to enforce but at the same time, too few for workers to become involved specifically in their plant or enterprise. Worse, the unions have often grown along craft lines (transport worker, metal worker) rather than industry lines (waterfront, building, Public Service). The result is that there are a lot of unions in some industries, varying in size, strength, nous, resources and political coloring. Some employers find themselves dealing with up to 30 unions. While the existence of the ACTU and its carriage of important award negotiations has reduced the inconvenience inherent in such a proliferation of unions, the potential for disagreements, negotiating difficulties and demarcation fights remains.

Partly inspired by these problems, and perhaps even more so by a desire to strengthen its long-term position, the ACTU has proposed that the 320 unions amalgamate into 20 big industry unions. Some amalgamations must occur anyway if the Hancock industrial proposals become law. The Hancock inquiry recommended that no unions with fewer than 1000 members be registered. Roughly half the unions now registered would be forced to boost membership, amalgamate or lapse. The Hancock changes would also involve easier amalgamation procedures and provide that no new union be registered unless it was formed along industry lines. The ACTU wants to go much further than the Hancock proposals, although in the same direction.

The bold plan is in keeping with the approach shown by the ACTU secretary, Mr Kelty, and a few ACTU officials in recent years. While most union leaders have tended to be mesmerised by the next wage rise and the latest dispute, Mr Kelty and a handful of like-minded people in the industrial wing of the labor movement have sought to guide the unions into a stronger position year after year. The prices and incomes accord, the push for superannuation, improved research facilities — all have been directed to this end. The amalgamation proposal indicates that Mr Kelty is thinking of where the unions need to head to guarantee their effectiveness — and perhaps, ensure their survival — in the closing years of this century. Against this attitude, it is a little sad to contrast the continuing short-term faction fighting which has come to typify the employer ranks. While employers always will be more given to competition than cooperation, their apparent inability to work together or even agree on basic industrial relations issues leaves them divided and weaker at a time when the unions are becoming stronger and more united.

While there are administrative benefits in having fewer and more rationally based unions, there are also potential drawbacks. Bigger and fewer unions would wield more concentrated power. The ACTU and its constituent members would have greater influence over government and industry than at present. This would be a bad thing if the power were misused but a good thing if the unions behaved moderately and in the national interest. It is also not clear that workers would necessarily be better off if they were represented by a bigger, industry-based union. The proposal will have to overcome the natural reluctance of union officials to vote themselves out of a job and the political incompatibility of some unions. The ACTU also can expect virulent opposition from the New Right and those individuals who would prefer to see a more fragmented, less potent union movement. The process to a more orderly structure will be slow but, if the ACTU remains in responsible hands, the result could lead to a valuable improvement in the conduct of Australian industrial relations.

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CSO: 4200/623

LABOR PARTY YOUTH WING ATTACKS POLICIES

Melbourne THE AGE in English 25 May 87 p 5

[Article by Peter Schumpeter and AAP]

[Text]

The Young Labor conference in Adelaide at the weekend criticised the Federal Government's economic statement and its stand on the coup in Fiji.

In two resolutions narrowly passed by the 50 delegates, the Government was called on to revamp economic policy to meet the needs of traditional Labor supporters and to take a much stronger line on Fiji to help restore parliamentary democracy.

The conference said the economic statement served the interests of big business at the expense of low-income earners and the unemployed youth. The Government was called on to sus-

pend foreign aid to Fiji and to impose economic sanctions.

Young Labor's national president, Mr Ian Rogers, said last night that young ALP supporters were disillusioned by the Government's deviations from the party platform.

"Young Labor will be vigorously campaigning to return the ALP to its democratic structures," he said. "The ALP is a democratic party where policies and programs should originate from the rank and file, so Young Labor is campaigning for a greater return to these."

Economic statement cuts in education, health, welfare and unemployment benefits would hurt traditional Labor voters, he said.

"Breaches in platform simply aren't acceptable. We'll be trying to demonstrate to them that because of their actions the ALP is at risk of seeing young people's votes drift to different parties.

"Young people certainly are disillusioned and, if this pattern of Government decisions continues to do that, we are losing their votes.

"We have to work very hard to get them back, and the way to do that is to implement the ALP's platform," Mr Rodgers said.

The conference said that the decisions to abolish unemployment benefits for under-18s and to axe the Community Employment Program had hurt the Government's credibility.

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CSO: 4200/623

DECLINING FORTUNES OF COAL INDUSTRY ANALYZED

Melbourne THE AGE in English 27 May 87 p 13

[Commentary by Roy Eccleston: "The Executioner's Axe Edges Toward King Coal"]

[Text]

IT has been an appalling year for Australia's main breadwinner, the coal industry. Price cuts by the Japanese for coking coal, and last week for steaming coal, have pushed the industry further towards the chopping block.

The axe, however, is gripped largely by Australians: state governments, trade unions, and the mining companies themselves. Another crucial but unpredictable force is the exchange rate.

Should the blade fall, it will slice through an industry which helps feed all Australians. In 1985-86, the industry earned \$5.2 billion, or 16 per cent of export income. Even allowing for extra sales to markets outside Japan, up to \$1 billion is likely to be wiped off expected earnings by cuts in price and the amount sold.

The year began with Japan cutting the price of coking coal, which is used for steel-making, by 10 per cent, and also cutting the amount bought. Last week, the Japanese power utility Chugoku Electric cut the price of steaming coal which, coupled with a higher-valued Australian dollar, wiped 20 per cent off the return to Australian mines.

The new price is virtually certain to be taken up by other Japanese buyers. At those prices, at the present exchange rate and without big cost reductions, some steaming coal mines must eventually close. State charges, the industrial record of mining unions

and the companies' willingness to invest in new equipment will tell the tale.

The Japanese argued that, in an oversupplied market, China and South Africa had already settled at low prices. But what made things worse for Australia was that last year's contracts, in US dollars, were signed when the Australian dollar was 61 US cents, but is now 72 cents, further cutting their price.

Yet as John Horseman, marketing manager of big NSW coal producer Coal & Allied, argues, Australia as the biggest supplier to Japan should set the price, not China or South Africa. At these prices, he said, Japan was jeopardising Australian mines, and so a stable and reliable supply.

According to Dr Ian Storey, of Sydney investment advisers Meares and Philips, the industry is bleeding to death. He said eight per cent of the steaming coal price cut was due to weak coal prices, and 12 per cent to the rise in the value of the dollar since April 1986, when the old contracts were written.

Dr Storey said the new price for steaming coal, just under \$A41 per tonne, was below the average cost of producing steaming coal in NSW underground mines.

Dr Storey said the states would have to cut charges, with a one year holiday on royalties and 25 per cent cut in rail freights. Rail freights set in the good years earlier this decade were now unrealistic. Unions and management had to improve efficiency.

In an analysis of the industry last December, Dr Storey said the

biggest impediment to increasing coal exports was work practices. "Typically, underground miners work about five hours out of a seven hour shift with the remaining two hours being accounted in travelling time," he said.

Dr Storey said Australian mines were burdened by overmanning as high as 50 to 100 per cent, wage levels double the national average, bans on weekend and 24-hour shiftwork, holiday closures and other restrictive work practices, which effectively limited production to six months each year.

The industry's industrial record is the worst in the country, with a 54 per cent rise in working days lost last year, despite an agreement between unions and the mines over a \$60 a week package.

On 14 May, the Employment and Industrial Relations Minister, Mr Willis, told Parliament the Federal Government was worried that there was a high level of disputes in the industry, "despite the fact that the average wage for a coal miner is \$800 a week".

The Coal Miners' Federation has called for a national authority to market coal, to ensure a united front for the industry. But the Government and the companies have rejected the idea. The Resources and Energy Minister, Senator Evans, told Parliament that an authority would be impracticable, because there were too many problems in acquiring and selling coal in a "fluid" international

market. Unlike wheat, coal had 40 to 50 different grades and sold to 40 to 50 countries.

Even so, the Government retains the right to veto a price arrangement if it is considered against the national interest. It has yet to approve the Chugoku deal.

The federal secretary of the miners' union, Mr Barry Swan, said Australian mines' individual negotiations meant they had to "troop off overseas and sell themselves ... it's like Kings Cross". He said it could be argued that Australia, the largest world exporter of coal, was forcing down the world price.

Mr Swan rejected Dr Storey's analysis. He said the union was always prepared to negotiate on proven overmanning and that the industry's record of disputes was not as bad as had been claimed. More days were lost in accidents underground than from strikes, he said.

The Australian Coal Association's economist, Mr Warren Bennett, warned against knee-jerk reactions to the latest prices. He said the price drop for coal would not produce an immediate effect on mine closures and job losses.

"Companies don't walk away from an investment, they will look at all avenues for reducing costs," Mr Bennett said.

The difficulties are not uniform across the industry. NSW underground mines furthest from the coast will be hardest hit.

Mr Brian Flannery, general manager of Ulan Coal in the upper Hunter valley, knows his mines fall into that category. He believes there are two choices: re-tool to produce more efficiently, or face the inevitable. Ideally, he said, Australia needed an exchange rate in the low 60s. If it rose to 75 US cents and stayed there, you could "kiss every steaming coal producer in NSW goodbye".

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CSO: 4200/623

PAPER EXAMINES COMMUNIST INFLUENCE

Bangkok THE NATION in English 25 May 87 p 5

[Article by Pratya Sawetvimon]

[Text]

THE top leader of a minority rebel alliance in the Burmese Shan State recently confirmed the continuing expansion of communist influence which has led to conflicts among several rebel factions over narcotic interest in the opium-growing Golden Triangle area.

The Burmese Communist Party (BCP)'s influence along the Burmese-Thai and Burmese-Lao border areas has been increasing significantly both militarily and ideologically since 1982, according to Sao Korn Jerng, president of the Tai Revolutionary Council (TRC).

The TRC was formed in 1985 by the merger of three Shan rebel groups — the Shan United Revolutionary Army (SURA) of Korn Jerng, the southern Shan State Army (SSA) of Sam Mai and the Shan United Army (SUA) of "opium warlord" Khun Sa who is concurrently the alliance's vice president and head of defence and finance departments.

Korn Jerng, alias Mo Heang and who is known as "one-arm bandit", said the communist insurgents have made "ideological penetration" into several hilltribe groups — especially the Lahu and the Wa — in the Golden Triangle bordering Thailand, Laos and Burma.

Korn Jerng, who was a former member of the Burmese communist movement, lost his arm in 1959 when he led a guerrilla attack on a Burmese military position near Mong Ton on Salween riverbank.

The communist penetration, he said, is now posing concerns among the three rebel groups in the TRC alliance.

The BCP insurgents are trying to fight their way southwards from their headquarters of Pang Hsang on the northeastern Burmese border with China for the control of a strategic point bordering the Burmese Shan, Kayah States and Thailand, he said.

The boundary point, located opposite the Thai northern province of Mae Hong Son, is

now controlled by the Shan ethnic rebels under the command of Khun Sa, who is the supreme commander of the Mong Tai Army — the TRC's military wing.

The pro-Peking Burmese communists control huge opium fields in northern Shan as well as in Kachin State and their penetration southwards is aimed at seeking drug trafficking routes along the border.

The BCP rebels, supported by the northern faction of the Shan State Army under the command of Sai Lek, have close connections with remnants of the Chinese Kuomintang Forces and the Wa tribe guerrillas, based along the Burmese-Thai border, said Korn Jerng.

The groups, he added, have been cooperating for at least three years on mutual interests over narcotic trade and production.

Though he admitted that all rebel groups in the Golden Triangle consider narcotics their major income to finance their insurgency, the Shan leader claimed that he was trying to eliminate the TRC involvement in drug trafficking.

"However, we will not be able to continue our revolutionary war if we have nothing to feed our army," said the 61-year-old rebel leader.

"Our army may be able to continue its struggle for about six months after giving up narcotic business. But what will happen later when we run out of arms and ammunition as well as food and logistic supplies," said the rebel president.

Korn Jerng said it was difficult to eliminate opium growing in the Shan State since various groups, including the communist and the Chinese Kuomintang, are involved and none of them can absolutely control the situation in the rugged-mountainous state.

The alliance leader also conceded that "some parts" of Khun Sa's private army are still involved in opium business. Khun Sa, who is wanted by international anti-drug officials, earlier announced that he had given up any involvement in narcotic ring.

He said the TRC is trying to prevent the communists from expanding their drug trafficking into the Shan rebels' territory on the eastern side of Salween River since the BCP insurgents refuse to pay "customs", imposed by the alliance on opium and contraband caravans.

The attempt has led the TRC to several clashes with the communist insurgents as well as armed confrontation with the Wa guerrillas and the Kuomintang troops who are major customers of the BCP's opium, said Korn Jerng.

The rebel chief said he was willing to hold talks with leaders of the Kuomintang to end the conflicts but the former Chinese nationalist troops have to obey the TRC regulations when they trespass into the Shan State.

Korn Jerng also claimed that the communists have exerted ideological influence over some non-communist minority rebels in the loose-organized National Democratic Front (NDF), which is currently led by Gen Bo Mya, leader of the Karen National Union (KNU).

Gen Bo Mya, who is a devout Seventh-Day Adventist, is strongly against the communist ideology. He earlier announced his opposition to a military alliance, forged between an NDF delegation and Ba Thein Tin, the BCP chairman, early last year.

Korn Jerng claimed that majority members of the NDF — especially the Kachin and the Sai Lek's faction of the Shan rebels — as well as some factions in the KNU support the BCP-NDF cooperation. He also expressed concern that the front might be dominated by the communists in the future.

"Bo Mya may be the only one who opposes the NDF-BCP deal in the front," he said.

Though he could not confirm whether the Burmese communists have an "opium connection" with the Laotian authorities, Korn Jerng said the BCP might have sent its merchants to trade opium with the Laotian hilltribes.

The TRC president said the main reason for the increasing communist involvement in narcotic business is that China officials cut off the aids to the BCP in 1980.

Korn Jerng said China still unofficially lends her support to the Burmese communists but the assistance is limited only for the BCP to survive.

"The BCP cannot strengthen its army only by the limited assistance from China so it has to turn into opium business," said Korn Jerng.

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CSO: 4200/625

TIDEWATER TRANSMIGRATION SITES NOT BEING USED

Jakarta KOMPAS in Indonesian 9 Apr 87 p 1

[Excerpt] Work on more than 100,000 hectares of tidewater land that has been opened for transmigration in Sumatra and Kalimantan may be left unfinished because the sites are not being used. There are also a number of potential sites for transmigration on the island of Sumatra but they too are not being utilized.

Data obtained in Jakarta on Wednesday by a KOMPAS reporter from a public relations officer of the Department of Public Works show that the department has opened 715,000 hectares of tidewater land, including 68,456 hectares that could accommodate at least 19,000 transmigrant families but is not being used.

Another 35,000 hectares or more of the land that has been opened requires further improvement. "The land contains peat and quartz sand and is subject to continual flooding so it must be upgraded again," the public relations officer said.

He said that tidewater lands that are not utilized for 1 or 2 years have to be rehabilitated because the channels are rapidly overgrown with vegetation. Then more funds are needed to clear out the channels and again make the land suitable for the placement of transmigrants.

After a period of more than 10 years the fertility of tidewater land usually declines because of the acidity of the soil. Additional "inputs" of fertilizer are needed to increase fertility.

Costs

The opening of tidewater lands has been going on since the First 5-Year Plan and requires no small amount of funds. Usually the areas that have been opened have been used for the transmigration program from Java. The Department of Transmigration has not yet been able to place 19,000 families in these tidewater locations because of financial problems.

By way of comparison, work began on the Karang Agung I tidewater site in South Sumatra in 1981 and was completed in 1985, when the site was opened. Construction costs on the 9,000 hectare site came to 2.5 billion rupiah, which means the

cost of opening the site approached 2.5 million rupiah per hectare. The work included the construction of the primary and secondary channels needed for the agricultural area.

The public relations officer also said that tidewater land on the island of Sumatra that is not yet being used includes sites in Jambi, Riau, Lampung, South Sumatra and other places.

5458

CSO: 4213/79

WEST SUMATRA UNABLE TO ABSORB MORE TRANSMIGRANTS

Jakarta MERDEKA in Indonesian 20 Apr 87 p 6

[Excerpts] The relocation of general transmigrants to West Sumatra under the food-crop pattern can no longer be supported by soil conditions there. In addition to self-supporting transmigration, other patterns of transmigration must be developed.

On behalf of Minister of Transmigration Martono, governor Azwar Anas made this statement in Padang in the message he delivered at the inauguration of Hardionao Bae as West Sumatra's provincial head of the Department of Transmigration. Hardionao replaced Lukman Hakim.

The governor noted that West Sumatra itself still suffers from an unevenly spread population. Efforts should also be made to reorganize and, if necessary, to resettle West Sumatra's population by increasing intra-provincial transmigration.

The Department of Transmigration has the mission of national development. As an integral part of national development, the transmigration program must have, among its aims, the evening out of population and employment, the increase of production and the opening up of new areas in provincial development.

Azwar Anas went on to say that up to PELITA [5-Year Plan] IV West Sumatra, as one of the provinces accepting transmigrants, has succeeded in placing 16,836 transmigrant families, totaling 73,590 people, spread out over six counties: 10,593 families in Sawahlunto/Sijunjung, 2,791 families in Pasaman, 2,199 families in Pesisir Selatan, 500 families in Limapuluh Kota, 484 families in Solok and 272 families in Padang/Pariaman.

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CSO: 4213/82

TANJUNG PRIOK RIOT FIGURE SUPPORTS GOLKAR

Jakarta TEMPO in Indonesian 4 Apr 87 p 13

[Text] "I admit my guilt. I admit I made an emotional error," said a beaming Salim Qadar. The instigator of the Tanjung Priok incident has been placed in a clean room measuring some 5 by 6 meters at the Cipinang prison hospital. He says that he is remorseful and that he was too hasty in his evaluation of the use of the Pancasila as the sole foundation [of political parties and social organizations]. Now that he is "at a distance from public life," as a result of being in prison, he "can see things more objectively." He can see that with the acceptance of the Pancasila as the sole foundation there has been much more development in the Muslim community, that many mosques are being built and that the community is developing. And after acceptance of the sole foundation is made compulsory by law? "I must respect the laws of the state," he said.

Salim Qadar was admitted to the prison hospital because he has diabetes. "The diabetes has reached my eyes and my vision is beginning to blur," he told a TEMPO reporter. This is why his family brings unsweetened food to him when they visit, as on Tuesday morning of this week when his six children came to see him. "We must be careful with Papa's food. It can't be too sweet," Mrs Salim said.

Salim says that he keeps up with the news through newspapers and magazines. This was how he learned that the NU (Nahdlatul Ulama) Congress in Situbondo had announced that the NU is returning to its 1926 line of struggle. This means that the NU is severing its ties with the PPP (United Development Party) and will become an organization that does not involve itself in politics. "I grew up in an NU family and I follow the leaders," Salim said, adding that this is why he no longer supports the PPP and that his family is even campaigning for Golkar.

Salim was born in Pandeglang, West Java 51 years ago. His father was a foreman of dockworkers and active in the NU. Salim has followed in his father's footsteps. He has been active in the Tanjung Priok branch of Sarbumusi (Indonesian Muslim Workers Union) since 1957 and founded the SBMI (Indonesian Maritime Workers Union). He also was a member of the MPRS (Provisional People's Consultative Congress) representing the NU. Salim, who is neat, clean and somewhat stout, recently has been active in Fosko 66 (66 Study and Communication Forum). He also is an officer of the Bahrul Falah mosque and school.

A man with six grandchildren, Salim says that he never became a member of the PPP. "I only took part in the struggle, struggling for the welfare of the people," he said. When the NU supported the PPP the struggle was carried out through the PPP, but now the NU has separated from the PPP and all three political parties have the same foundation. Therefore, he said, "when I am released I will choose to struggle through Golkar" because Golkar has a clear program and capable people. "Formerly we looked sour to each other because we did not share the same foundation, but now we can cooperate," he added.

With regard to the PPP, Salim said it must put its own house in order before it can improve its situation.

Salim, who has a reputation as a hard-line preacher, said that the sermons he gave in the mosques were "not practical politics." "I just instilled an understanding of the oneness of God and did not deal with politics. If I spoke of corruption it was only in a parable, only an example," he said.

Salim denies that he changed his political attitude because his friends have not visited him in prison. "I can understand why they do not visit me. They are afraid," he said. He also tells his family that they should not visit him too often because "it is better to use the money for household expenses."

With regard to the visit he received from Maj Gen Eddie Nalapraya, retired, the deputy governor of Jakarta, Salim said, "I expressed my gratitude for the opportunity given my daughters to participate in Golkar's campaign." He also said he had instructed his children to continue to participate in the campaign until it ended.

And what does he expect for himself? "I have not received anything, no matter what people think." Do you expect a reduction in your sentence? "That is up to the government. If I am on my good behavior here then I am certain to receive a reduction, and clearly I am trying to be a model prisoner."

It is obvious that Salim, who jogs for an hour each day after morning prayer, has a great desire to take part in the election campaign. "If I were outside now I would certainly be on a podium making speeches," he said. And of course he would not be campaigning for the PPP, as he did before, but for Golkar.

On Tuesday morning some of Salim's children were lying on mats spread on the floor of Salim's room, and some were sitting on a bench in the clean corridor. "Pak Ismuyanto comes by four times to keep it this clean." There is also an attractive yard and each morning Ismuyanto picks up the leaves that have fallen from the mango trees growing there.

"I am studying religion now, reading the Koran every day to become a good Muslim," Salim said. And do you have a comment on the Tanjung Priok incident? "I was considered as an instigator. Well, I accept the blame," he said.

5458

CSO: 4213/79

OBJECTIVE COVERAGE OF ELECTION CAMPAIGN BY MEDIA

Jakarta KOMPAS in Indonesian 9 Apr 87 p 1

[Text] The government feels that to date the mass media's coverage of the election campaign has been objective. Both the print and electronic media, and the Jakarta and regional press in particular, are performing their functions well. "The national press is more mature than it was at the time of the 1982 election," was the comment made by Minister of Information Harmoko following a limited cabinet meeting at the Bina Graha building on Wednesday.

He said that at the time of the 1982 election some publications carried reports that tended to be of an agitational nature and that it became necessary to take action against them under applicable regulations and directives. In 1987 "it is clear that the reports are balanced," he added.

He affirmed that the code of journalistic ethics and applicable regulations and directives have not been violated by any of the coverage to date. "We should all be grateful for this, including the press component itself, the government component and the public component," he said.

Harmoko said that this situation exists because the Indonesian press is now able to comprehend the meaning of the Pancasila press system, but also and particularly because the 1987 election is the first election in which the contesting groups recognize the Pancasila as the sole foundation of national, state and public life.

The minister said that both the local press and the foreign press have been reporting the campaign in an objective light. He expressed the hope that this approach will continue to be used until election day on 23 April as an indication of the improvement and maturity of the national press. He added that if possible the press should be even more positive in attributing significance to public life that is characterized by the development of Pancasila democracy.

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CSO: 4213/79

RIFT THREATENS SOUTH KALIMANTAN NU

Jakarta KOMPAS in Indonesian 27 Apr 87 p 9

[Text] Many circles think that the leadership of the South Kalimantan Muslim Scholars Organization (NU) is going to split apart. Founded 63 years ago in South Kalimantan, the mass organization now has two directors, each claiming that he will save the NU from destruction.

Conflict among NU directors began to surface after the provincial conference held in Barabai on 20-21 June 1986 appointed Syafriansyah, 51 years old, as executive chairman for 1986-1990. Later, however, the NU's PB [Executive Board] issued decision No 230/A.II-04.d/II/1987, dated 19 February 1987, making H M Saleh Fauzi, 64 years, executive chairman for the same period and dropping Syafriansyah's name from the leadership structure. The Executive Board's decision was signed by Abdurrahman Wahid, general chairman of the NU's PB, and by Anwar Nuris, secretary general.

"No matter what, I am legally the executive chairman because I was elected by 10 branch directors at the provincial conference. So I have the right to lead the NU," Syafriansyah told KOMPAS last week. Meanwhile, Saleh Fauzi, elected second deputy chairman at the provincial meeting, refused to make a lengthy statement. "I am only carrying out the decision made by the NU's PB, defending the existence and independence of NU members," he said.

Syafriansyah, whom the PPP [United Development Party] has put up as candidate number eight for the DPR [Parliament] and as candidate number two for the DPRD I [Provincial Parliament] in the general election, responded to the argument that he is prohibited from holding two positions at the same time. If he is elected, he said, he will not be active in the NU's provincial Directorship until the members of the legislative body are inaugurated. According to the regulations, Syafriansyah said, if the chairman is deactivated, the position is held by the first deputy chairman, H A Sjazali.

Saving the NU

Syafriansyah said that after the members of the DPRD have been inaugurated, he will continue to lead the NU, carrying out the decision made at the Barabai provincial conference. His first step will be an internal consolidation to

keep NU members from splitting up. However, this step was not detailed. "You'll find out later," he said.

Meanwhile, Saleh Fauzi, well known in real estate in the province, said that he too would stay in his position of leadership in carrying out the decision made by the NU's PB. During the campaign he made a startling statement, which was quoted by the mass media. He urged NU members in South Kalimantan to channel their political aspirations into GOLKAR [Functional Groups Party] in order to preserve the New Order government [the Soeharto regime] and peace among NU members.

Various circles thought that if the two leaders did not unite, Saleh Fauzi's statement would cause a total split in South Kalimantan's NU, which now has about 470,000 members.

9846

CS0: 4213/82

SPECIALISTS ANALYZE GOLKAR VICTORY IN ACEH

Jakarta KOMPAS in Indonesian 28 Apr 87 pp 1, 8

[Text] The development of new values in Acehnese society is one of the factors behind GOLKAR's [Functional Groups Party] 1987 general election victory in that province. These new values have not grown out of a process of secularization but rather represent Aceh's dynamic development of its religious values in becoming part of the Indonesian nation.

These are the opinions of two prominent political observers, R. William Liddle, professor of political science at Ohio State University, and Dr Alfian, head of LIPI's [Institute of Indonesian Science] political and provincial PUSLITBANG [Research and Development Center]. They were interviewed separately by KOMPAS in Banda Aceh yesterday.

Both political observers have the same opinion about GOLKAR's victory in Aceh. They emphasized the development of new values in Acehnese society and the role of Aceh's governor Ibrahim Hasan as factors "which must be taken into account." The "deflation" of the United Development Party also had its effect.

Indonesianization

Speaking to KOMPAS on Sunday night [26 April], Professor Liddle said that the growth of new ideas in Aceh can be seen by studying Aceh's past. Aceh has had a glorious history. The glory of Aceh's kingdoms, the greatness of Islam and the Acehnese war against the Dutch are all a source of pride for the Acehnese.

Pride in the past still lives on in Acehnese society. But when Sukarno's promises to the Acehnese were broken and problems arose between the Acehnese and the central government, frustration, disappointment and other such feelings were expressed. "They rejected Sukarno, the PKI [Indonesian Communist Party] and the like, and these feelings were expressed toward the central government," said Liddle.

As a result, everything coming from the central government or representing its interests was considered foreign and difficult to accept. Liddle, who has been assigned to the Center for Development and Social Science Research of

Syiah Kuala University as an outside expert, said that those symptoms have been receding little by little.

These changes have been caused by the socioeconomic processes which have occurred since the beginning of this century and were hastened by the New Order government [Soeharto regime]. "Gradual economic development has begun to open up Aceh to outside influences. The aspirations of the Acehnese people, especially of the younger generation, have become the same as the aspirations of people in other provinces," said Liddle.

As an example he mentioned that 70 percent of Acehnese children are now going to public schools, because of Aceh's desire to advance to the same level as the general Indonesian population. "Basically, Acehnese economic development in all fields has had an important social impact, which I could call a process of Indonesianization," he said.

Indonesianization must produce new ways of thinking and must formulate new ways of relating to the central government, and new voting patterns. Professor Liddle sees a tendency for the votes given to GOLKAR to reflect these new aspirations, while votes for the PPP, on the other hand, tend to reflect nostalgia for Aceh's past history and glory.

Ibrahim Hasan

Both Liddle and Alfian agree that these new values will not change Acehnese traditions and customary law just like that. Rooted in a strong tradition, these new values will make Acehnese identity flourish within the national framework.

They both rejected the belief that GOLKAR's victory in Aceh, on the one hand, and the PPP's defeat, on the other, will result in secularization. "No matter what, the Acehnese will remain religious. "The aim of these new ways of thinking is for the Acehnese to advance," said Alfian.

In this connection, Alfian said, GOLKAR must be able to read the aspirations of the Acehnese people accurately. If not, it is quite possible that the Acehnese will turn away from GOLKAR at some future time. Professor Liddle also emphasized that these new Acehnese aspirations are not a permanent trend. "Old influences are still very strong here and social change cannot possibly come about quickly. These changes could turn back into old ways of thinking," he said.

Both Dr Alfian and Professor Liddle mentioned Ibrahim Hasan as another important factor in GOLKAR's victory. Ibrahim has not only been the governor but also a leader. Alfian said that this is important in changing society's image of power, which up to now has been considered unapproachable.

Ibrahim Hasan's approach to the villages is a traditional approach, one easy for the people to accept. "In that way, Ibrahim has succeeded in improving the image of power by making it into something 'friendly' in the eyes of the people," Alfian said.

Professor Liddle said that Ibrahim Hasan is a model of the governor as both an instrument of the central government and a leader who continues to color Acehese aspirations.

"Ibrahim Hasan's way of approach must be taken into account, and in fact the PPP has responded to it," said Alfian.

The PPP's Problems

On the other hand, both of these political experts think that the PPP's internal problems made them lose votes in the general election. The fact that the NU [Muslim Scholars Organization] left the PPP had a strong effect in Aceh, even though the Aceh branch of the PPP was not shaken. Besides that, said Liddle, the Acehese people, even those in the villages, know that the present PPP is not the same as the old PPP. To some extent this obstructed the PPP's expansion in this general election.

According to these two political experts the election results in Aceh show the extent of the PPP's problems. Even though the PPP is still tops in Pidie, Aceh Besar and Aceh Utara, there was an extraordinary increase in votes for GOLKAR in those three counties.

9846

CSO: 4213/82

INCREASED USE OF EXTERNAL FUNDS REPORTED

Jakarta MERDEKA in Indonesian 29 Apr 87 p 1

[Text] The ability of Indonesian development projects to absorb foreign funding has increased during the past year, thanks to hard work in approaching aid-granting governments on the part of the Team for the Efficient Use of Foreign Funds in Carrying out Development Projects (P4DLN).

Saleh Affif, minister of state for the Efficient Use of State Apparatus and chairman of the P4DLN Team, and Moerdiono, junior minister/cabinet secretary and deputy chairman of the Team, made this statement after meeting with President Soeharto at the Bina Graha [presidential office] yesterday.

Saleh Affif also confirmed that the use of project funding has increased because of additional local spending in the form of rupiahs.

He said that there are four state organizations and countries which provide much of the funding for Indonesian development projects. They are the World Bank, the OECF (Office of Economic Cooperation Fund), the Asia Development Bank and the government of the Netherlands.

From July 1986 to March 1987, \$600 million of World Bank funding was used, a 7.4 percent increase over the previous year.

During the 1986-1987 fiscal year (same as the Indonesian fiscal year), 60.6 billion yen of OECF funding was used, a 39.4 percent increase over the previous year. This is the first time that the use of these funds has increased after steadily decreasing since 1982.

During the 1986 calendar year \$206.7 million of Asia Development Bank funding was used, a 23.4 percent increase over the previous year.

During the 1986 calendar year, 182 million guilders of Dutch government funding was used, the full amount appropriated.

In response to this increased use of foreign funding, the president strongly urged the team and other departments to continue to increase their efforts to absorb foreign funds in carrying out various projects.

As is well known, the president created the P4DLN Team because of delays in various development projects. These delays have meant that very little of the foreign aid which had already been committed was actually used and the Indonesian government was forced to pay a sort of administrative fine on unused funding.

INDONESIA

NO TAX HOLIDAY FOR INVESTORS ANNOUNCED

Jakarta KOMPAS in Indonesian 27 Apr 87 p 1

[Excerpts] In an effort to increase capital investment in Indonesia, the government will no longer give the tax holiday that was granted under the old tax system. The reasons that were given are that a tax holiday is unfair and that taxes are light enough under the present tax system for capital investment in Indonesia.

Drs Salamun A. T., director general of taxation, made this statement during a working visit to Bandung on Saturday [25 April].

"A tax holiday is actually unfair because it can be enjoyed only by large-scale capital investors, not by medium and small-scale investors," said Salamun.

Rescinding the tax holiday for capital investment in Indonesia is also part of the effort to create a fair tax system. The government is providing compensatory incentives by lowering earnings taxes to a maximum of 35 percent from a maximum of 45 percent. Every businessman, not only investors, can enjoy the fair lowered taxes.

Minister of Finance Radius Prawiro told reporters that in an effort to attract investment capital the government has not only lowered this tax but has also allowed faster depreciation.

This depreciation is rather significant; after getting an explanation from the minister, businessmen usually say that they consider the present incentives to be bigger and more attractive for capital investment in Indonesia.

9846

CSO: 4213/82

INCREASE OF 15 PERCENT IN NONOIL EXPORTS ACHIEVABLE

Jakarta KOMPAS in Indonesian 10 Apr 87 p 1

[Text] Efforts to increase Indonesia's nonoil exports by 15 percent to \$7,602 million (in 1987/88) can be successful and the target can even be exceeded provided that the policy of deregulation, an adjunct of devaluation, is firmly implemented.

This optimistic note was struck by Prof Dr Widjojo Nitisastro, an expert on international economics, in a lecture at Brawijaya University on Thursday (9 April). "I hope my assessment is accurate," he said with a broad smile. It is estimated that oil and natural gas exports are up 8 percent after declining by 44 percent or \$6,909 million in 1986/87. Total exports in 1987/88 are up 12 percent (\$15,091 million) after dropping 27 percent the year before.

Speaking to some 250 instructors and members of student senates from state and private universities in Malang, the professor mentioned a number of challenges that must be faced in achieving an increase in exports. "The target intentionally has been set rather high so we will work harder to improve our economy. If this was easy to do then possibly there would be no need to work hard," he said. Prof Widjojo is a prominent member of Golkar and is now actively campaigning in East Java, his home province.

Deregulation

Widjojo, who was accompanied by Prof Dr Harsono, the rector of Brawijaya University, described deregulation as a very important measure that is intended to reduce the burden of unnecessary permits that encumber the business world. "Too many permits are trouble," he said.

Widjojo said that deregulation is not only a very important measure, it is also a decisive factor in economic growth. Consequently, if the business world is faced with too much regulation this can cause complications. "Together we will see if the target of a 15 percent increase in nonoil exports is achieved or not. We will see in April 1988, and I think the target can be exceeded," he said.

5458

CSO: 4213/79

PARTICIPATION IN PLO MEETING NOTED

Kuala Lumpur NEW STRAITS TIMES in English 7 May 87 p 3

[Text]

KUALA LUMPUR, Wed. — Malaysia was given the rare honour of being involved in the opening of the Palestinian National Council meeting in Algiers last week when well-known writer and poet Usman Awang was invited to recite a poem at the opening session.

It was the first time in the history of the Palestinian Council (which is equivalent to the Palestinian Parliament) that a foreign observer was invited to participate.

During the opening session of the six-day meeting on April 20, Palestinian Liberation Organisation (PLO) leader Yasser Arafat asked the chairman of the meeting to allow Encik Usman to recite the poem.

To the thunderous applause of over 400 delegates and hundreds of observers from all over the world Encik Usman recited a Bahasa Malaysia poem which he had penned called *Hormat*.

The representative of the PLO in Malaysia, Encik Ahmad El-Farra, later read the Arabic translation of the poem. It touched on the rights and the sufferings of the Palestinian people.

Encik Ahmad told the *New Straits Times* today that the delegates and observers were delighted with the poem "which touched their hearts".

"It was the first time in the history of the meeting that such a special poetry recital was in-

cluded and many hailed it as a good move. It was a proud moment especially for Encik Usman and Malaysia for being given the opportunity to kick-off the meeting," he said.

Encik Usman was a member of a three-man delegation which attended the meeting as observers. He was invited there in his capacity as chairman of the People's Action Committee — which was set up to protest the visit of the Israeli president Chaim Herzog to Singapore.

Encik Ahmad added that the three-man Malaysian delegation was also accorded special attention by Yasser Arafat and other PLO leaders.

He said Mr Arafat personally welcomed the delegation on their arrival and later granted them an audience in his house where they had a mutual exchange of views and opinions.

Encik Usman said today he was proud to have been given the opportunity to recite his poem.

"I have been given many honours in the past but this one is closest to my heart. In my poem I wrote about the Palestinian people's rights and their cause which I hope will prompt international figures to do something for the cause.

"This is just a small contribution on my part. It will be up to the international leaders to solve the problems of the Palestinian people," he said.

LOYALTY OF CABINET MINISTERS STRESSED

Kuala Lumpur BERITA HARIAN in Malay 1 May 87 p 10

[Text] Prime Minister Mahathir Mohamad has accepted the resignations of Tengku Razaleigh Hamzah and Datuk Rais Yatim from the cabinet. The two ministers had submitted their respective resignations after failing to be elected in the UMNO [United Malay National Organization] elections of 24 April. At the same time the prime minister dropped three ministers and four deputy ministers who also challenged his leadership during the same elections.

The decisions of Tengku Razaleigh and Datuk Rais to resign were actions to restore their pride and self respect as political figures and leaders. After making the decision to challenge Doctor Mahathir openly and to contest his authority as president of UMNO and prime minister, the only solution left to them was to resign. Unless they took this step, their own authority would have been placed in question. Certainly, they could not continue loyally to serve a man whom they no longer believed in.

For Tengku Razaleigh, turning back would have been impossible. Logically, it is difficult to believe that he could have challenged Doctor Mahathir and even more that he could have teamed up with Datuk Musa. The public knows that, if it were not for the fact that Doctor Mahathir acts in a just, frank, and sincere way in promoting unity within UMNO, he would have dismissed Tengku Razaleigh long ago. Who doesn't know that Datuk Musa once demanded that Tengku Razaleigh be dismissed? Datuk Rais also is considered to have broken the ties of friendship by issuing a statement that burned his bridges when he promised support for the Tengku Razaleigh-Datuk Musa team.

Unfortunately, the example shown by Tengku Razaleigh and Datuk Rais was not followed by ministers and deputy ministers who opposed Doctor Mahathir in the UMNO elections. Indeed there were some who pretended that they did not understand why they should resign or be fired. However, they were certainly aware that in any contest anywhere there are those who win and those who lose. They are also certainly aware of the possibilities they would be forced to face by having joined the opposing side. As Doctor Mahathir said, when he made his speech on 26 April, should he be defeated, he certainly could not remain at Seri Perdana (the official residence of the prime minister).

Compact unity, of which so much was made before and since the UMNO elections should not be misunderstood. It does not mean merely forgetting all of the words and actions of opposing elements. In order to be able to govern effectively, a prime minister needs to install a cabinet which he respects and trusts. We have seen how disloyal members of the cabinet have violated their oaths of office by exposing cabinet secrets and not accepting their responsibility for joint decisions. Doctor Mahathir, who clearly did not discriminate against race and descent in choosing his ministers, deputy ministers, parliamentary secretaries, and members of the Supreme Council, is certainly aware of his mistake and the problems which have been created by disloyal people. This time, whether he likes it or not, in the interest of the stability of the government which he leads, he will be forced to take the factor of loyalty into his calculations.

Unity is important. However, unity cannot possibly be created if the president of UMNO and the prime minister is stabbed in the back by members of his own cabinet whenever he turns his back. What will happen under such conditions is that the cabinet will be dominated by political scheming until it will no longer be effective. The prime minister would not be able to act freely in leading the government because there would be ministers, deputy ministers, and parliamentary secretaries who are waiting for the opportunity to stab him in the back. This is what happens in so many countries of the world which change governments almost every month or year because there are not enough members of the cabinet who respect the prime minister and too many who have great ambitions and wish to be promoted quickly.

At the same time their dismissal is no loss. Now they can say what they said openly during the UMNO election campaign, that is, that the party should control the country and not that the country should control the party. During the campaign many charges were made that under Doctor Mahathir the influence of UMNO was declining. The charge was also made that Doctor Mahathir had a dictatorial manner. Now the people who made this charge or at least agreed with charges of this kind may do their duty by making sure that Doctor Mahathir no longer acts like a dictator, if that really happens.

5170/9604

CSO: 4213/87

PAPER SUPPORTS MAHATHIR DISMISSING CABINET MINISTERS

Kuala Lumpur UTUSAN MALAYSIA in Malay 1 May 87 p 8

[Text] The implications of the elections at the recently held national assembly of UMNO [United Malay National Organization] will continue to unfold for some time before the previously existing stability and calm return.

The resignations of Tengku Razaleigh and Datuk Rais were only initial signs which were later followed by the announcement of the prime minister dismissing Datuk Abdullah Badawi, Datuk Shahrir Samad, and Datuk Ajib Ahmad from their respective cabinet positions.

Four deputy ministers who also supported the Tengku Razaleigh-Musa team were subsequently dismissed from their positions. What happened is one of the risks which must be accepted openly and calmly, because in political life there are clearly ups and downs.

The follow-up step, which indeed had been anticipated, was only appropriate in the political process, because keeping opponents in the cabinet means providing an opponent with the means of maintaining and even increasing his influence in carrying on his future opposition activity.

In the context of what Doctor Mahathir faced, the prime minister had only two choices. First, to dismiss or drop those who opposed him as a step toward cleaning house, as he did. Secondly, to continue with the status quo to reflect a cabinet which represents all factions or as a way of unifying UMNO.

Whatever the case, the prime minister took the first course after taking everything into consideration, and particularly political stability and the national economy. Clearly, the prime minister could not choose the path of providing an opportunity for his opponents, because if that was his attitude, it would have reflected weak leadership on his part.

Is there any guarantee, if they had continued to be provided with the opportunity, that those who opposed his leadership would not have opposed him again over the next 3 years? If they wish to oppose his leadership again, they will have to do so without holding any positions in the

government. Keeping them in office would also have implied that they can oppose the prime minister without any action being taken against them.

In fact among these opponents there continue to be some who have a position in the UMNO Supreme Council because they still hold offices which are a source of influence in the political contest, although not all of them have such positions.

In fact the ministers who opposed the leadership of the prime minister did not resign before the UMNO elections, although they had no confidence in his leadership. They are very much aware that a position in the cabinet and in the government were the most important factors in their re-election as members of the Supreme Council.

It appears that the prime minister has decided to have his own men in the cabinet and in the government, and this has been reflected by Doctor Mahathir and his deputy in their speeches at the end of the UMNO assembly. This must be respected.

The view that those who have won seats in the UMNO Supreme Council must therefore remain in the government and cabinet does not hold water because it may be argued that the prime minister and his supporters were also elected by the delegates to the UMNO general assembly. Must all members of the Supreme Council sit in the cabinet and hold government office, while the most important thing is for the government and the cabinet to function, to be effective, and to create stability?

5170/9604

CSO: 4213/87

DAILIES COMMENT ON MAHATHIR'S VICTORY

NANYANG SIANG PAO

Kuala Lumpur NANYANG SIANG PAO in Chinese 26 Apr 87 p 2

[Editorial: "UMNO's Leadership Elected"]

[Text] The results of the election for the leadership of the United Malays National Organization [UMNO], which attracted much attention here and abroad, were announced the night before last and yesterday morning. With a narrow margin of votes cast, Datuk Sri Dr Mahathir beat Tengku Razaleigh and was reelected UMNO president. Deputy Prime Minister Ghafar Baba also defeated Datuk Musa Hitam by a narrow margin, and was elected vice president of the party. The battle for the two major posts was as close as the voting indicated, a difference of merely tens of votes between the winners and the losers. This proves that the contenders were of virtually equal strength in their keen competition, and also makes people wonder how the ruling faction will deal with such a strong opposition in the days to come.

As far as Dr Mahathir is concerned, he has repulsed the menacing challenges and helped his lieutenant Ghafar win out and earn the post of deputy prime minister he deserved. Having eliminated his arch opponent Musa Hitam, Dr Mahathir has no reason to feel unhappy. In addition, the camp he led also won two of the three vice presidential posts; (two ex-officio vice presidents, one from the UMNO's youth wing and the other from the women's section, are also his supporters). Dr Mahathir's camp won most of the seats among the 25 contested in the Supreme Council, while his opponents got only 8 seats.

Add to this the president's prerogative to appoint other persons to sit in the Supreme Council, and there leaves no doubt that Dr Mahathir will occupy a well-entrenched position in the 35-member Supreme Council of the party and strengthen his control over the party's leadership. Judging by the result of the power struggle, the challenger faction suffered a crushing defeat and everybody wants to know who will step down from office.

However, Dr Mahathir will definitely not ignore the fact that the challengers did enjoy much support from the voters, as evidenced by his talk after the election results were announced. He stressed the importance of a renewed unity among all members, a goal he will aim towards. He also refused to reorganize

the Cabinet, saying that he will make an analysis of the election first. On the other hand, leaders of the challenger faction proved their political maturity, both Tengku Razaleigh and Musa Hitam stated that they gladly accepted the decision of the party delegates and pleaded with their supporters to remain calm and to give full support to the party leadership.

Although the UMNO party election produced widespread reverberations affecting the party's unity, judging by the performance of the opposing factions, there are good reasons why the party will not split apart. One of the thorny problems to be tackled is the fact that some members of the lost-out faction are still in the Cabinet. How the prime minister and concurrent president of the UMNO will handle this matter and the reshuffle of the Cabinet will have an impact on UMNO's stability and solidarity.

Now that the hotly-contested election is past, the problem of UMNO party leadership has reached a final conclusion. Judging by Dr Mahathir's strong position in the Supreme Council, it is certain that his leadership will be a stable one. Whereas in pre-election days people were doubtful about the leadership issue and the government's stability, now all this has come to an end, and everything turns calm again. Only through a stable political situation and domestic and foreign confidence in our government can our national economy be restored smoothly.

Having learned its lesson after overcoming this serious challenge, several changes in policy and political style are likely to emerge within the UMNO and government leadership, such as the questions of the decision to revise the draft budget and the resumption of retirement funds for public functionaries, which were brought up by the challengers among their campaign promises. As the problems of economic downturn and government mismanagement served as hot issues during the electioneering, we believe that the newly elected UMNO leaders will hold deliberations about them and produce some improvements for the benefit of the country and people.

Power struggles within a political party are in fact commonplace events, but if the motive for such an infighting is to grab power and personal profit, it is not to be taken as an example. The mature performance of the contenders in the UMNO party election just past is there for all to see. If the two opposing factions can make all the party members reunite, the UMNO will go down as an exemplary party, proving that a democratic and healthy competition will not hinder a party's struggle and development.

SIN CHEW's Comment

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 26 Apr 87 p 17

[Editorial: "Comment On and Analysis of UMNO's Election"]

[Text] The results of the cynosural UMNO party election, described as the most intense and sensational since the founding of the party, were announced the

night before yesterday. It turned out that Prime Minister Datuk Sri Dr Mahathir, by a plurality of 43 votes, narrowly defeated Tengku Razaleigh and was reelected UMNO president. Deputy Prime Minister Ghafar Baba also beat Datuk Musa Hitam by a mere 40 votes and was elected UMNO deputy president. Datuk Wan Mochtar, Datuk Abdullah Badawi and Anwar Ibrahim were elected UMNO vice presidents of the party. The returns of the election for UMNO's Supreme Council were also announced yesterday morning, with the ruling faction scoring a basic victory and the challenger faction getting only 8 out of the contested 25 seats.

Judging by the results of the election, especially the narrow margin of difference in the votes obtained by the winning and losing factions for the top posts, no heroes emerged out of it. The ruling faction's victory was mainly because most of the delegates to the convention preferred to maintain traditionalism and refused to "rock the boat" of the party at the present stage. Another factor that led to Dr Mahathir's triumph was his ability to line up his supporters for the party election.

Tengku Razaleigh, in his attempt at wresting the UMNO presidency, was beaten by a narrow margin of 43 votes; though defeated, yet it was an honor to him, because such a situation was unprecedented in UMNO's history. In the past, UMNO prime minister could easily get the party's presidency without any campaigning and often would win the election by a landslide. This time, the election for the UMNO presidency indicated to a certain degree that a number of the members were not satisfied with the present leadership and wanted change.

In the battle for the UMNO vice presidency, Datuk Musa Hitam was beaten by Ghafar Baba by 40 votes. Although his defeat had not been expected by the general public, it was not without reason. Early last year, Musa quit his post as deputy prime minister and later on left the country to do some teaching abroad for a certain period, which gave UMNO members an impression that he wanted to withdraw from politics. Furthermore, as the post of deputy prime minister is usually held by the vice president of the party, many members wondered whether he would return to his old deputy prime minister post if he had defeated Ghafar Baba in the party election. Assuming he would become the deputy prime minister for the second time around, could he and Prime Minister Dr Mahathir cooperate homogeneously like milk and water? This probably was the main cause why 41 votes were declared invalid for the election of the deputy presidency. Another probable factor for Musa Hitam's defeat was because his criticism against Dr Mahathir's great plans (including the construction of the Penang Bridge and the domestic manufacture of cars) did not gain the support of the convention delegates.

Shortly after the results of the election were announced, Prime Minister Datuk Sri Dr Mahathir declined to answer reporters' questions about whether he would reshuffle his Cabinet, but it appears that a Cabinet reshuffle is unavoidable, judging by the post-election situation.

On this issue, what the public wants to know is the prime minister's attitude. As we can see, the outcome of the election contest was very close and practically on par. Dr Mahathir got 51.45 percent of the votes, while Tengku Razaleigh

got 48.55 percent; Ghafar Baba got 49.97 percent, while Musa Hitam received 47.25 percent. Also, the challenger faction won nearly one-third of the contested seats for UMNO's Supreme Council. These are important pointers which should not be ignored by the wise leaders in dealing with the problems of leadership.

Is Prime Minister Datuk Sri Dr Mahathir going to consolidate the strength of his own faction as a point of departure? Or is he going to lay equal stress on the unity of his party, too? This we will have to see in his political flair and wisdom. We believe that the prime minister will carefully consider this problem.

The intensity of the election contest is indeed unprecedented as far as the UMNO party is concerned. There were many reasons why Prime Minister Dr Mahathir had to be faced with such a formidable challenge, but one of the principal reasons was without a doubt the economic downturn in the country.

Now that the dust has settled down, the victors may rejoice, while the opponents, in a democratic spirit, accept the decision of the delegates, banish all prejudices and grudges, and strive to safeguard the party's unity.

The UMNO is the political mainstream in our country, therefore it bears greater responsibility to the state and the people of various nationalities. At a time when the country is being tested in economic problems, we earnestly hope that UMNO leaders can overcome the difficulties with a stronger will and determination, deal with general affairs of state open-heartedly, pool the wisdom and efforts of everyone to revive the people's confidence in the nation and struggle for the eradication of our country's economic crisis.

9300/12851

CSO: 4205/16

PAPER COMMENTS ON OUTCOME OF UMNO GENERAL ASSEMBLY

Kuala Lumpur NANYANG SIANG PAO in Chinese 28 Apr 87 p 2

[Editorial: "After the Closure of UMNO General Assembly"]

[Text] After an intense political debate and a closely-contested election of its Central Committee members, the 3-day general assembly of the United Malays National Organization [UMNO] came to a close at last. The ruling faction, led by Prime Minister Dr Mahathir, narrowly won the election, but after retaining the state power with great effort, it is still faced with the thorny problems of party unity and government reorganization.

Although the election outcome indicated that the assembly delegates relatively sided toward maintaining conventionalism, yet the ruling faction defeated the contending faction by a narrow margin in the battle of top leadership posts, a reflection that support for the losers and members' demand for party reorganization were not to be taken lightly.

What was most significant is that the UMNO general assembly opened with daggers drawn but closed calmly, especially the losing faction which accepted the defeat in a magnificent and praiseworthy manner. Judging by the remarks made by the leaders of the losing faction, namely Tengku Razaleigh and Datuk Musa Hitam, in which they both pledged support to the new party leadership, we can deduce that the problem of a possible split after this intense struggle simply does not exist. Under the premise of the overall interests of the party, UMNO leaders, who are well-known for their political maturity, will transform enemy into friend.

Although Prime Minister Datuk Sri Dr Mahathir said that the Cabinet will not be reorganized within a short period of time, yet, in the aftermath of the change in the party's leadership, the reorganization appears unavoidable. The question is what attitude the prime minister will assume toward the Cabinet reshuffle, whether he will try to consolidate the strength of his faction as a starting point, or whether he will incorporate persons of diverse opinions in the name of party unity.

Based on the prime minister's talk, the Cabinet reshuffle will encounter some difficulties. Just as he pointed out and recognized, it is the practice in

other countries that if a challenger politician lost a struggle, he should resign. But the situation in the UMNO case is somewhat different, especially because the opposition faction did enjoy considerable support by the party membership and because many leaders requested that the appeal for unity by the vanquished be given due consideration. All these are factors that the prime minister needs to consider. The prime minister has also hinted that the eliminated will have something to lose, while others elected as new members of UMNO's Supreme Council will not necessarily become Cabinet members. This indicates that some important figures belonging to the opposition faction are still sitting in the Cabinet and that it is difficult to predict their future.

Although the mainstream faction firmly controlled the party's leadership after the election, it cannot ignore the facts of challengers' group winning many votes and the existence of government administrative irregularities. After learning a lesson from the stern challenges, the public has reasons to believe that the new UMNO leadership will make appropriate changes and readjustment in its political style, administration and decisions. If, after this intense party election, the UMNO can lead our national politics to coincide with the aspirations of the people and our national development to become more stable, all this will serve as the blessings of the country and people.

After 2 days' serious debate, the UMNO general assembly adopted resolutions in the fields of economics, politics, education and religion to be coordinated with the development of the current political situation. At present, the people are suffering from economic stagnation and a steadily worsening unemployment problem, and are hoping that the government can put into effect several practical proposals to revive our economy and speedily restore economic prosperity in order to improve the livelihood of the people.

The battle in the UMNO party has come to a conclusive stage. Whether leaders of the opposition will regroup and fight back is hard to predict. Nevertheless, the party has gone through this experience of the historic challenge against traditionalism. It is hoped that the development of this democratic process will bring about certain vim and vigor to the structure and organization of various political parties in our country.

9300/12851

CSO: 4205/17

UMNO LEADERS' POLITICAL DEMEANOR PRAISED

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 28 Apr 87 p 21

[Editorial: "Political Demeanor of UMNO Leaders"]

[Text] The dust churned up in the UMNO election, which drew the attention of the whole nation, has settled down. The ruling faction, led by Dr Mahathir, defeated the challengers and continued to lead the party and country.

This time around, apart from the attention-drawing battle for important posts, the public was deeply impressed by the good demeanor of the leaders, a point worth learning by leaders of other political parties in our country. The reason is that good political demeanor is conducive to the maintenance of a party's discipline and unity, and carries a great significance for the strengthening of its organization and power for struggle.

We notice that two months before the UMNO election, both the ruling and challenging factions had been overtly and covertly campaigning for the support of the convention delegates. Particularly 1 week before the election, the attacks and counterattacks turned more intense, with the smell of gunpowder permeating the air and emotions running high. However, the tension was defused by two responsible political leaders. First of all, at a meeting of representatives of UMNO's youth wing and women's section, its former deputy president, Datuk Musa Hitam, delivered a moderate speech in appropriate terms. This was followed by the poise of Prime Minister Datuk Sri Dr Mahathir who refrained from criticizing the opposing faction when he officiated at the UMNO general assembly, thereby creating a cordial atmosphere in the meeting and election. This was the decisive factor for the smooth running of the UMNO election, and simultaneously explains that in the matter of party unity and prestige of the Malay race, the two leaders were able to control their personal emotions and relegate their private interests to the background.

We praise the political demeanor of UMNO leaders, which is not transient but consistent in nature. After the election was over, Prime Minister Datuk Sri Dr Mahathir was the first to appeal to all UMNO members to be united, followed by Datuk Musa who stated that he accepted the decision of the general assembly. It was all the more remarkable that in his summing-up speech before the closure of the convention, Datuk Musa apologized to all members for the unpleasant incidents occurring during the election period. While conveying his

congratulations to the prime minister and Ghafar Baba, Datuk Musa also admitted that the losers should accept the fact of defeat with an enlightened attitude. Other UMNO leaders, including some Supreme Council members, also unanimously stressed that the losing side should not be ignored altogether. All these remarks indicate the lofty character of UMNO's leaders.

In its 41 years' history, the UMNO has had many twists and turns, including fierce infightings for important posts, withdrawals and resignations of leaders due to differences of opinion. Yet all these events did not weaken UMNO's strength in the past or today; nor did they cause a split then or now. This is mainly because the majority of UMNO leaders feel deeply convinced in the democratic spirit, firmly uphold the Malays' interests and unity and doggedly strive for the long-range objectives of the party.

When the party electioneering reached a white-hot stage and the two opposing factions were attacking each other at full blast, people thought that the party would be liable to fall apart, but a well-known elder statesman pointed out that the Malays will definitely not be divided after the UMNO election.

Since then, all facts have proved that the UMNO will not be split, nor will the Malays be in disarray, because the UMNO is blessed with leaders who possess strong political faith and fine political demeanor and who are backed by members dedicated to the struggle for attaining the objectives of the nationals and party.

As to other political parties in this country, especially Chinese-based parties, why is it that they disintegrate after a party election? In one word, they do not have leaders such as those of the UMNO or they lack members such as UMNO's.

9300/12851
CSO: 4205/17

ATTEMPTS TO SPLIT UMNO CHARGED

'Frustrated Millionaires' Accused

Kuala Lumpur NEW STRAITS TIMES in English 7 May 87 p 1

[Text]

KUALA LUMPUR, Wed. — A small group of millionaires, frustrated by Datuk Seri Dr Mahathir Mohamad's victory as Umno president recently, is now finding ways to split the party.

Umno secretary-general Datuk Seri Sanusi Junid said today this group of millionaires are not party members.

"The party headquarters has found out the existence of such a group. This group is now attempting to split Umno and threaten the position of the party president. We take a serious view of this development," he told a news conference.

Datuk Seri Sanusi called on Umno leaders at all levels to be wary of the existence of this group.

"They must be cautious of the group so that its attempt to split the party can be thwarted."

Datuk Seri Sanusi said Umno headquarters was now monitoring the group's activities.

Dr Mahathir was returned as Umno president in the April 24 party elections. He received 761 votes, defeating his challenger Tengku Razaleigh Hamzah by 43 votes.

Tengku Razaleigh's running mate and former arch rival, Datuk Musa Hitam, failed to defend his deputy presidency against Encik Ghafar Baba, who garnered 739 votes. Datuk Musa obtained 699 votes.

Last week, Tengku Razaleigh and Datuk Rais Yatim resigned as Trade and Industry Minister and Foreign Minister respectively.

Following this, three Minis-

ters and four Deputy Ministers known to have been aligned to the Razaleigh-Musa faction during the run-up to the Umno election, were dropped from the Cabinet and the Government.

Datuk Sanusi, replying to questions from reporters, said Dr Mahathir had not been informed of the existence of the group of frustrated millionaires.

He also said it had not been decided whether to hold a Supreme Council meeting solely to discuss the matter.

"If there is a need, we will call for one," he said.

Datuk Sanusi declined to be drawn into a discussion on whether the party headquarters had evidence of the activities of the millionaires, saying: "Don't worry about that. I have said that we have detected its existence."

Junid Sees No Security Threat

Kuala Lumpur NEW STRAITS TIMES in English 11 May 87 p 1

[Text]

KUALA LUMPUR, Sun. — The allegation that several millionaire businessmen, unhappy with Datuk Seri Dr Mahathir Mohamad's recent Umno presidential victory are out to split Umno, is "mainly political in nature" and has not threatened national security, Deputy Home Minister Datuk Megat Junid Megat Ayob said today.

The Home Ministry, he ad-

ded, would not intervene in the matter "but we are nevertheless closely monitoring it".

Datuk Megat Junid said Umno headquarters was "already on top of the matter" and investigations were being carried out.

He also said that the matter was a "political problem" that could be resolved without the intervention of the Ministry.

"However, if we sense that the matter breaches the secur-

ity of the country, we will act," he said.

Datuk Megat Junid was responding to calls by an Umno leader for the Home Ministry to take action in view of the seriousness of the allegation made by Umno secretary-general Datuk Seri Sanusi Junid earlier this week.

Datuk Seri Sanusi also said these businessmen were not party members.

MCA APPEAL TO DAP ON GOPEN SEAT

Forfeiture Requested

Kuala Lumpur NANYANG SIANG PAO in Chinese 21 Apr 87 p 3

[Text] Datuk Ling Liong Sik, president of the Malaysian Chinese Association [MCA], indicated that as the Democratic Action Party [DAP] has no confidence in the by-election for the Gopen parliamentary constituency, it would be better to forfeit and let MCA's (National Front's) candidate have the seat.

He said that if the DAP feel it has no certainty of success and still puts forward its candidate for the by-election, it simply proves that the DAP is "making trouble" without any contribution to the public.

Lim Liong Sik, who is minister of communications, was answering reporters' questions after officiating at the founding ceremony of the National Navigation Council at Merlin Hotel in Pataling Jaya today.

Yesterday, at a founding ceremony of the preparatory committee of DAP's Balik Pulau, Penang branch, the party's secretary general, Lim Kit Siang, said that his party would have only a 45 to 55 percent chance of success in the Gopen parliamentary by-election.

Ling Liong Sik also said the MCA has confidence in the by-election, because public reaction in the Gopen constituency shows the voters support the National Front.

Mr Ling declined to give a direct answer when asked whether the MCA would quit the National Front if it should lose the by-election. He said that the MCA is a responsible political party dedicated to serving the people under all circumstances. He added that it is not necessary for his party to discuss this issue, because the MCA has confidence in the by-election.

Asked whether the cooperative society scandal would have an impact on the Gopen by-election, Mr Ling said that what the people need is national stability and fair representation for all nationalities, as clearly reflected in the general election in Sarawak state.

Nominations of candidates for the Gopen by-election are scheduled for 7 May, while voting will take place on the 16th (Saturday). This by-election has been made necessary by the resignation of Tan Koon Swan, MP, effective 3 April.

Chen Man Hin's Response

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 22 Apr 87 p 4

[Text] DAP President Dr Chen Man Hin believes that the key to whoever will win or lose in the Gopen by-election lies in the hands of voters, which has nothing to do with one's own wishful thinking.

Dr Chen, an MP representing Seremban, was commenting on remarks by MCA President Ling Liong Sik who requested the DAP to quit electioneering for the by-election.

Dr Chen said: "Recently, after the Sarawak election results were announced, Mr Ling high-spiritedly and unabashedly tried to ridicule the DAP. Apparently he had forgotten that the MCA was repudiated by the Chinese nationals in the general elections eight months ago.

"Although the DAP is not absolutely sure that it will win the Gopen by-election, we will not give up. We are a responsible party with a consistent record of long-term struggle to achieve our goals, and our participation in an election is not measured by the 'win or lose' factor. We resolutely continue to remove all difficulties in order to participate in an election, because we want to put into practice the parliamentary democratic system, to arouse the political awareness of the people and to oversee the government's deviations and irregularities.

"Our party's defeat in the recent Sarawak election will not weaken the struggle of our comrades over there; they will stage a comeback in the next election. In the previous general election, the DAP managed to wrest 24 seats in Parliament, and 37 seats in state assemblies, obviously the fruits of our struggle all these years."

Dr Chen pointed out that although it may not be easy for the DAP to win the Gopen by-election, after the Tan Koon Swan and the cooperative society incidents, the public is able to see what the MCA has up its sleeves.

"The public will not care at all about Mr Ling's attempt at ridiculing our party, because he was talking nonsense. Our past records show that the DAP possesses a sense of responsibility toward the country and the people. We have been issuing constructive criticism against the government's unfair, unreasonable measures, its wasteful programs and other grandiose plans, all based on the wishes and aspirations of the people. We are not trying to please the public with claptrap. What we have been doing is not much different from the criticism by the challenger Musa-Razaleigh faction against its opponents in the UMNO election or the accusations made by a former prime minister against the ruling

faction. In the latest general election, the massive support of the voters to our party has won our party a position in public, Dr Chen concluded.

Lim Kit Siang's Response

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 22 Apr 87 p 3

[Text] DAP Secretary General Lim Kit Siang today indicated that his party is prepared to consider Datuk Ling Liong Sik's request and let the MCA win the Gopen by-election without effort.

However, the MCA must come up with a convincing reason, otherwise Mr Lim will not bring up the proposal at a DAP Central Committee meeting.

In a public statement issued today, Mr Lim said that he did make a remark in Penang last Saturday, saying that the DAP would have a 45 to 55 percent chance of winning the by-election. This probably was the reason why Mr Ling Liong Sik yesterday requested the DAP to give up in favor of the MCA.

Mr Lim said that as Datuk Ling had the courage to make this request, he would seriously consider it. He added that he is not surprised by Datuk Ling's begging for the parliamentary seat, because it has always been MCA's work style to beg for something without earning it.

Mr Lim said that in the 1986 general election, the MCA implored a "safe seat" in Johore state for MCA's president Tan Koon Swan. When this effort was fruitless, the party again begged for a similar request in Perak, resulting in a "safe seat" in the Gopen electoral district for Tan Koon Swan. I can definitely say that Dr Ling Liong Sik will not deny the fact that this Gopen parliamentary seat was originally reserved for UMNO's political secretary to contest. Due to MCA's imploration, however, the UMNO eventually let the MCA campaign for this seat.

He added that even Datuk Ling himself begged for and won a safe seat for the (Labis) constituency in Johore state; if Ling had remained as an MP for the Bagan constituency, he would likely have been defeated.

"All this indicates that there is a big difference between the DAP and the MCA. DAP leaders will never choose the safest or the easiest seat to contest, but instead the most difficult one. In the latest parliamentary election, I chose the Tanjung electoral district, but Datuk Ling said I was making a big political mistake and I would be defeated."

Lim Kit Siang indicated that although he had a fifty-fifty chance of winning the election for the Tanjung district, he relinquished the safe Malacca seat to wrestle in Tanjung. In contrast, Datuk Ling Liong Sik and Tan Koon Swan, while professing to be leaders of ethnic-Chinese citizens in Malaysia, avoided campaigning in electoral districts with large Chinese inhabitants and chose other districts with a high-percentage of Malays.

9300/12851

CSO: 4206/16

SARAWAK BARISAN ASKS ACTION AGAINST PBDS

Kuala Lumpur UTUSAN MALAYSIA in Malay 24 Apr-87 p 11

[Article: "Sarawak Asks Mahathir To Take Action Against the PBDS Because It Opposed the BN"]

[Text] Kuching, 23 April--The Sarawak National Front (BN) is going to request Prime Minister Datuk Sri Dr Mahathir Mohamad to take action against the Sarawak Dayak Party (Parti Bansa Dayak Sarawak-PBDS) because it opposed the National Front in the state election last week.

Datuk Leonard Linggi Jugah, the state BN secretary, said the decision was reached at the state BN meeting held last night, chaired by Datuk Patinggi Haji Abdul Taib Mahmud, chief minister, who also is the Sarawak BN chairman.

He noted that the meeting talked about the PBDS disobeying the directive of the BN Supreme Council which ordered the party to use the "scales" symbol in the election as well as about the party's cooperation with a non-BN component party during the election.

"The PBDS also tried to sow hatred (against the BN) among the people and, therefore, we do not want to be involved in this kind of politicking," he said.

The PBDS, which joined the BN in 1984, using its own symbol, put forward 21 candidates to run against the BN candidates. It won 15 seats.

It also combined with a new party, the Malaysian Sarawak People's Association (Persatuan Rakyat Malaysia Sarawak--PERMAS), only recently registered, to run on a joint platform in the state election.

Datuk Linggi said the request to the prime minister, who also is the BN chairman, will be submitted officially in a letter to be forwarded in a few days.

"We also leave the decision about what to do in regard to the position of Datuk Leo Moggie, PBDS president, in the Federal cabinet up to the prime minister," he said.

Datuk Linggi said last night's meeting was also aimed at finding out where the BN was weak during the election period.

"However, what is important is that we are happy about the spirit of cooperation that existed among the National Front's three component parties," he said. The three components of the Sarawak BN are the Sarawak Bumiputera Heritage Party (Parti Pesaka Bumiputera Sarawak), the Sarawak United People's Party (Parti Rakyat Bersatu Sarawak--SUPP), and the Sarawak National Party (SNAP).

The BN won 28 seats for the Sarawak State Legislative Assembly for which there are 48 seats.

Datuk Linggi rejected the accusation that the BN was trying to "coax" several members of the opposition to join the BN.

"It is not our practice to take in members with an eye to seats in the assembly. We have obtained enough seats to govern the state," he said.

Datuk Linggi hopes opposition parties will call a halt to their "election campaigning" so that the state government can run the state without interference.

6804/9604

CSO: 4213/84

LIONG SIK-KIT SIANG TALK DISCUSSED

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 30 Apr 87 p 29

[Editorial: "Ling Liong Sik Invites Lim Kit Siang To a Dialogue"]

[Text] The invitation by Datuk Ling Liong Sik, president of the Malaysian Chinese Association [MCA] to Lim Kit Siang, secretary general of the Democratic Action Party [DAP] to discuss problems of mutual interests has aroused wide interest among various circles in our country.

Recently, leaders of both parties have indicated wishes to talk things over, and it appears that a Liong Sik-Kit Siang dialogue will not fall through.

Actually, a dialogue between political parties is a commonplace event, especially for Chinese-based parties. In the past, the MCA and the Malaysian People's Movement [GERAKAN] did hold several talks, and even formed an MCA-GERAKAN Council. However, what role has this council played and what benefit has it brought to ethnic-Chinese people thus far? The leaders of the two parties concerned are fully aware about this matter. Both the MCA and GERAKAN are National Front members, yet they cannot cooperate with each other. Politically speaking, they have always been standing on opposite sides, so naturally it is not easy for them to seek a common ground.

At any rate, the proposed dialogue between Mr Ling and Mr Lim will contribute to the two parties' mutual understanding, although it may not achieve any concrete results. If it can become a reality, it can be regarded as a good thing by itself.

Day before yesterday Lim Kit Siang indicated that he is prepared to talk things over with Ling Liong Sik concerning two major issues: 1) the crisis of confidence in our nation and 2) the plight of ethnic-Chinese citizens during the 30 years of independence of our nation.

These two issues, in Mr Lim's view, are the major problems of our country and people. However, all signs show that both Mr Lim and Mr Ling are mainly interested in discussing the problems of Gopen by-election and cooperative societies, which have no bearing on our national interests but rather on the political benefits of these two parties. Consequently, it appears that the projected talk is based on the parties' political interests.

While MCA President Ling Liong Sik extended the invitation for a dialogue to DAP Secretary General Lim Kit Siang, a former MCA acting president, Datuk Neo Yee Pan, appealed to his party to recommend that the DAP be admitted to the ranks of the National Front in order to strengthen the Chinese rights to political participation.

Datuk Neo also proposed that after the DAP has been accepted as a National Front member, all Chinese-based parties, including the MCA, GERAKAN, DAP and United People's Party [UPP], form a combined council to pool their strength.

Datuk Neo's recommendation for the DAP to join the National Front may be a breakthrough, but what does the DAP itself think about it? What are the wishes and aspirations of the MCA and, more importantly, of the UMNO? Judging by the interrelationship among Chinese-based political parties, whether such a recommendation can be realized remains a question mark. Judging by the relationship between Neo Yee Pan and the MCA on the one hand and the DAP leadership on the other, it is even more questionable whether such a recommendation can become a reality.

As regards the unification of all Chinese political parties to wrest the Chinese rights and interests by joint efforts, this question was enthusiastically bandied about before the 1982 general elections. At that time, many Chinese hearts were really moved, because such a union would coincide with the general aspiration of Chinese society. But all shouting and yelling did not go beyond the mouths of certain politicians; it was all talk but no action. That was just one thing, but what was more serious was that during the general elections, what were put into practice were mutual leg-pulling and mutual jostling for power, which brought Chinese society much disappointment and disheartenment.

Whether the projected Liong Sik-Kit Siang dialogue can be sincerely held and can reach some sort of an agreement remains to be seen. Nor do we know whether the agreement can be put into practice in due course. Consequently, under the present situation, members of the Chinese community should calmly watch the development, and not pin blind hopes on the meeting.

9300/12851

CSO: 4205/17

EDITORIAL ON MCA-DAP TALKS

Kuala Lumpur NANYANG SIANG PAO in Chinese 30 Apr 87 p 2

[Editorial: "The Secret Talk Between MCA and DAP"]

[Text] With the flames of battle raging over Gopen and repercussions of the cooperative societies scandal being felt everywhere as background, MCA President Dr Ling Liong Sik and DAP Secretary General Lim Kit Siang have agreed to hold a secret dialogue this week. This is something unexpected by the general public. Judging by the opposite views held by these two parties on various issues, no one dares to adopt an overly optimistic attitude that this secret meeting will make any breakthrough.

What is interesting is that, amid talks about the Ling-Lim meeting, a former MCA president, Datuk Dr Neo Yee Pan, has again earnestly appealed to the MCA to invite the DAP to join the National Front with the view to consolidating the strength of the Chinese in their fight for their due rights and interests.

The secret venue for the meeting of the two party leaders has not been disclosed, but, according to Mr Lim's revelation, the discussion may involve 10 wide-ranging issues, all related to the interests of Chinese society and the fate of the country. As the two parties have held divergent views on these issues in the past, it would be worthy of esteem if they could reach an agreement of sorts in their secret talk.

It may be said that the MCA took the initiative for this rendezvous. Early this year, the leader of the MCA Youth Wing, Datuk Kee Yong Wee, suggested that the MCA might emulate the UMNO-PAS style of dialogue by inviting the DAP to a meeting for the purpose of promoting the unity and interests of Chinese society. Responding to Mr Kee's proposal, Lim Kit Siang and DAP President Dr Chen Man Hin said they would gladly consider the matter and hold a dialogue with the MCA at any time.

Upholding the stand of safeguarding Chinese interests, any ethnic-Chinese or Chinese-based political party, whether in Government office or opposition, will no doubt support and welcome such dialogue and cooperation to solve the common problems faced by the Chinese in general. Objectively speaking, the rights and status of the Chinese have been going from bad to worse, and members of the Chinese community hope against hope that their political strength can be pooled

together to improve their plight. Viewed from this angle, Dr Neo Yee Pan's proposal has positive significance.

We must take collective action to strive for our rights. To safeguard the common interests of the Chinese people, it is essential that we muster the strength of Chinese society. In the past, the MCA tried to join hands with mass organizations, including the Federation of School Teachers and Trustees, to win a position for Chinese-language education, and the result was satisfactory. In recent years, we also heard sympathetic response and favorable comment on the idea of unifying the Chinese political strength and on the "three-in-one combination" concept. However, this idea and concept still need the effort of everyone to be realized.

After the general elections last August, the DAP turned out to be the largest opposition party by virtue of the support of Chinese voters in many electoral districts. It has since played an important role in representing the opinions and aspirations of the Chinese people. At the present stage, on the basis of objective factors, it is impossible for the DAP to join the National Front for the purpose of strengthening the Chinese rights to political participation. To remedy this far-from-ideal situation and to reflect the ethnic-Chinese wishes more effectively, it is correct and proper for the office-holding MCA to heed the opinions of the opposition DAP party through various forms of discussions and dialogues, thereby helping solve some really difficult problems.

There is a great difference in political opinion between the MCA and the DAP, and it would not be easy to reconcile their opposite opinions and viewpoints. If the leaders of the two parties can sit down at a conference table and talk things over, whether they can produce some results from this heartening move, everything will depend on the sincerity of the parties concerned.

We hope that the dialogue will lead to studying problems involving real benefits to Chinese society, such as finding a solution to the cooperative societies affairs, and not serve as mere political propaganda or empty talk that deals with something courteously but without sincerity.

9300/12851

CSO: 4205/17

PBDS CHIEF ON REMAINING IN BARISAN

Kuala Lumpur BERITA HARIAN in Malay 28 Apr 87 p 2

[Text] Kuala Lumpur, ISNIN--The Sarawak Dayak Party (PBDS) has left the future role of the party as a component of the National Front [Barisan Nasional--BN] to the good judgment of the Supreme Council of BN.

Datuk Leo Moggie, president of the PBDS, has stated that he does not know what action the Supreme Council of BN will take toward his party because it is suspected of involvement with a group which tried to overturn the state government.

After attending a meeting for the award of 25 year service emblems to 440 employees of the State Electricity Board (LLN) in Kuala Lumpur on 28 April he said: "The PBDS has no further plans at present."

Datuk Moggie made this statement in connection with the request of the three principal parties of the BN in the State of Sarawak that the PBDS should be expelled.

He said that the basic standpoint and view of the PBDS are that it has never been in conflict with the BN, and this has been stated on several occasions.

He said that, like UMNO, which works to serve the interests of the Malay community and the Islamic religion, the PBDS was established to make certain that the Dayak community is not left behind in the national development effort and is treated properly.

In Conflict

Datuk Moggie said that the involvement of the PBDS with the group of 28 does not mean that this party opposes the BN but rather did not agree with the way in which the state government was being led.

Previously, the United Traditional Buniputra Party (PBB), the Sarawak United People's Party (SUPP), and the Sarawak National Party (SNAP), in a letter to the BN State Council in Sarawak in March, presented a request that action be taken immediately against the PBDS.

The BN State Council then issued the following joint statement: "The action of the PBDS in involving itself with a group which sought to overturn the legal government of the state makes it clear that this party has chosen to leave the BN."

The statement was signed by Datuk Leonard Linggi, general secretary of the PBB; Datuk Amar James Wong, president of SNAP; and Datuk Dr Wong Soon Kai, general secretary of the SUPP.

The statement also characterized the action of the PBDS in accepting three independent persons as members was clear evidence that the party had taken action in conflict with the agreement jointly reached by the BN.

5170/9604

CSO: 4213/87

MALAYS URGED TO SUPPORT NEP

Kuala Lumpur BERITA HARIAN in Malay 28 Apr 87 p 10

[Text] Questions of development, the economy, and trade were considered at the 38th National Assembly of UMNO [United Malay National Organization], which ended on 27 April. UMNO leaders and delegates focused on the economic questions faced by the Malay community in particular and the nation in general. The interest in these issues may have been stimulated by the frequency with which they were raised during the party elections campaign 2 or 3 months ago. It might be said that every member of society in this country has been exposed to various economic arguments and statistics, many of which are correct.

We must express our appreciation toward delegates who continue to be inclined to consider economic issues, even though the main agenda item of the national conference this time is to elect the party leadership for the next 3 years. From the economic point of view, the election of the top leadership of UMNO this time is very important, because those leaders will direct the party during the final 3 years of the New Economic Policy. Although we all know the achievements of the indigenous Malay community under the NEP, a more important matter during the next 3 years is to try with all of our strength to accelerate the achievement of less than satisfactory performance, as well as to determine the economic agenda following this period.

We feel happy because as a result of the debate on economic issues a number of reassurances have been provided by the highest leadership of UMNO. The president of the party and his deputy once again repeated the categorical promise that the objectives of the NEP will be continued, even though the policy is scheduled to end in 1990. Although there is opposition toward the continuation of this policy under a different name, in fact we really have no choice. Whether we like it or not, poverty is still widespread, not only among indigenous Malays but also among non-indigenous groups as well. Poverty is still found among members of the Chinese community in the new villages and among Indians in the plantations.

Therefore, there should be no dispute regarding the importance of our abolishing poverty. Because poverty itself is an abstract and relative concept, we are forced to determine the division of national wealth in a

just and proper way. Poverty will continue to be present in our society if the division of national wealth is not kept in balance. Whatever the case, if economic issues are seen from a broader point of view, we can easily appreciate the truth that the division of national wealth must be handled in a just and proper way, free of oppression, the abuse of power, deceit, and corruption.

Because it is very often economic activity which leads to the abuse of power, deceit, and corruption, we should always be careful that in our efforts to create wealth we do not become inhuman and do not respect the rights of the weak. This was emphasized by Encik Anwar Ibrahim, the new vice president of UMNO, when he concluded his speech on educational issues at the national assembly. He wants UMNO to lead the struggle against the abuse of power and corruption.

The support of the Malay community for the NEP and related matters will be very critical during the coming 3 years. Challenges to this are certainly increasing. Even now there are already many loud voices which are demanding that the NEP not be continued after 1990. Indeed, there are even Malays who are beginning to belittle it and to sow doubts about it. The NEP, which has placed them in office as professors and university deans at an early age, as business executives in large corporations, and made them millionaires while still young is now said to be no longer useful. On the other hand, they proudly throw out their chests and say that they are intelligent, they are bright, and they are clever. They can become professors, business executives, and millionaires without the NEP.

However, we might question this. Without the NEP, without quotas in the universities, without scholarships, and without special loans, will Malays and other indigenous people become professors, business executives, and millionaires in so short a time? Now, because they are so content and may compete with other groups, they say that the NEP is no longer needed. They are ready to replace it with a National Development Policy so that they will become even richer. However, let us thank God that there are still Malay leaders who dare to defend the NEP. As Prime Minister Mahathir Mohamad said in his speech opening the national assembly of UMNO, what is the use of the economy developing quickly and the country becoming rich if the Malays are poor and poverty-stricken.

5170/9604

CSO: 4213/87

NEW APPROACH TO ATTRACT FOREIGN INVESTMENT

Kuala Lumpur BERITA HARIAN in Malay 4 May 87 p 1

[Text] The effort to attract foreign capital investors in this country will be further stimulated by using new approaches. This was stated by Deputy Prime Minister Abdul Ghafar Baba.

He said that this new way of attracting investment will involve meeting and holding direct discussions with individual partnerships who are thought to have the potential of investing in this country.

Previously, business discussions were held openly and in public without any special treatment. According to him, this did not provide much of a welcome.

Mr Ghafar said that this new approach, although it would take a long time, would be more effective and useful to the country.

He said: "We will meet with a number of individuals who may be the chairman of foreign companies to attract them to come to Malaysia."

Mr Ghafar, who is also chairman of the Cabinet Investment Committee, said that, in any case, previous and detailed discussions will be held with the Malaysian Industrial Development Authority (Mida) before sending an investment group abroad in order to avoid waste of money and time.

According to him, the type of industry which should be brought into the country should be identified before a decision is made to send an investment mission abroad.

Mr Ghafar said among the industries which need to be brought into the country are those based on agriculture, timber, rubber, electronics, and petrochemicals.

Technology

Four groups, all of them arranged by Mida, will be sent to Europe, the United States, the Middle East, and East Asia to encourage investors to invest their capital here, he added.

He said: "These groups will be chaired by cabinet ministers and senior civil servants. If there is time, I will also participate in these groups."

Mr Ghafar said the effort to attract foreign investors needs to be increased because bringing in technological expertise is very important for the development of a country.

He said: "The country should not remain idle in the effort to attract foreign investment. Whether it succeeds or not, the effort must be continued, in the interest of the national welfare."

Mr Ghafar said that the atmosphere for investment in this country is very attractive because of stable political conditions.

In this connection the government will try to improve further such infrastructure facilities as telephones and electricity in certain areas because this is important in attracting foreign investors.

He said that existing incentives are now at their maximum level and, for that reason, the government will not provide new incentives.

The deputy prime minister said that the government wants foreign investors to make use of the opportunities and the incentives which have been created.

Mr Ghafar, who is also minister of national and rural development, said that the country will request the assistance of Malaysian embassies abroad to inform foreign investors of the incentives in this country.

He added: "We want them to discuss the matter and to exchange views with foreign investors regarding the situation and the investment climate in Malaysia."

5170/9604

CSO: 4213/87

COMPULSORY STUDENT PRAYER IN MALACCA CRITICIZED

Reaction to Education Bureau Circular

Kuala Lumpur NANYANG SIANG PAO in Chinese 21 Apr 87 p 2

[Editorial: "The Case of Student Mass Prayer"]

[Text] All middle and primary schools in Malacca state have received a circular from the state Education Bureau saying that effective the second term yesterday, all students must collectively read aloud a "prayer" or "pledge" at a certain time before classes begin and when school closes; and that the text of the prayer will be based on Islam's special terms. This order has aroused the close attention of political and educational groups throughout the country who believe that this measure violates freedom of religious belief for all nationalities, as stipulated in the constitution.

In 1982 the authorities proposed that student mass prayer be practiced in all schools, but, after negotiations with various religious groups, it was decided to postpone the implementation of the proposal. Now we are referring again to something discussed before. At present, as a secular form of government, our country is being subjected to attacks by various elements who are inclined toward Islamization. Under the existing racial and religious structures, the question of student mass prayer is likely to arouse emotions which we really cannot afford to ignore.

In recent years, the outbreak of several controversial problems and incidents involving religion, such as the repeated abductions of the middle school girl students after they were converted to Islam and forcing non-Muslims to adhere to Muslim laws, has aroused worry and concern in non-Muslim societies. The government has repeatedly guaranteed that it has no intention of setting up an Islamic state in our country. Yet the intensified incorporation of Muslim values into our government administration and the various Islamization measures and movements can only bring about grave concern in the non-Muslim communities.

To a multiracial nation, religious freedom is most important, being a principal factor for maintaining intraracial harmony and social tranquility. Also, our constitution stipulates that everyone enjoys freedom of religious belief, although some restrictions apply to the propagation of religion for the sake of maintaining public order and morality. On this score, the main spirit of the constitution is that no one may force others to accept his own religion.

Most recently, a number of government leaders have expressed interest in cases where Muslim students were influenced by the propaganda of a certain religion, and they have issued a serious warning to the activists concerned. Islam is a religion embraced by the Malay people, and it is understandable why the government will not tolerate Muslim students being influenced and even converted to some other religion. However, non-Muslim communities likewise hope that their own religious belief enjoy due respect.

The order by the Malacca State Education Bureau for all national-type primary and middle school students to hold daily mass prayers containing Muslim connotation really deserves serious reconsideration, because such an act would go beyond the boundaries of other constitution and interfere with the religious beliefs of all nationalities, as well as encroach upon the rights of parents and guardians to supervise children who are below 18 years of age.

The cases of girl students being converted to Islam have already caused widespread reaction in Chinese society, so the implementation of the student mass prayer is bound to exacerbate the Chinese worry about the government's Islami- zation plans, and eventually will intensify the misunderstanding and polariza- tion among all nationalities. For the sake of national harmony and unity, it is incumbent upon the government to consider the wishes and feelings of the entire people before carrying out any measures with religious connotations.

Faced with a situation involving religious belief, it is also necessary for ethnic-Chinese society to conduct a self-examination to find its own short- comings and to vigorously seek a way out for self-protection. The Chinese do not embrace a definite religion, and Chinese families generally do not pay attention to their children's religious education, thereby causing outside influences to rush into the vacuum easily. It behooves Chinese society to intensify the inculcation of religious awareness and value concept into the minds of their younger generation.

SIN CHEW Comments

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 21 Apr 87 p 19

[Editorial: "Cautiously Handle the Problem of Student Mass Prayer"]

[Text] Since the 1980's, we have often heard about disputes involving religious belief, and illegal activities under the banner of religious belief have also repeatedly taken place. Such situations have already produced ill effects on the traditional relationship between Muslims and non-Muslims. Consequently, in dealing with problems related to religion, the government and any organiza- tion in our country should exercise extra caution to avert disputes between different religions.

Early this year, Mohamad Rachmat, MP (Pulai Constituency), proposed to sentence a Muslim youth. He was found guilty of drinking liquor and assignations with a woman, in an Islamic court in Kelantan state to flogging. After the unprece- dented case was established, he even proposed to the government to consider an

amendment to the law to the effect that non-Muslims found guilty of adultery and drinking in public also be subject to flogging. However, since his opinion not only violated the wishes of other religious believers, but also trampled the constitutional rights of other nationalities to religious freedom, it met with strong opposition from various circles. Subsequently, Deputy Minister Datuk Yusuf Noor of the Prime Minister's Department issued a clear-cut clarification: No matter what the circumstances are, the government will not apply Islamic law to non-Muslims. He also warned politicians not to fool around turning Islamic law into a political issue. They should avoid issuing public statements which are liable to create misunderstanding.

After the clarification by Deputy Minister Mohamad Noor, many people think that believers of different religions will respect one another living in our multi-racial, multireligious country, so that all can live harmoniously in our tranquil, prosperous nation.

Unfortunately, however, the Malacca Education Bureau, without considering the sensitivity of religious problems in a multireligion country and before holding negotiations with representatives of other religions, rashly issued a circular ordering all primary and middle school students in Malacca state, as of 20 April, to recite aloud a pledge or prayer designated by the Education Bureau. This would occur at a certain time before classes begin and before school closes. Because the pledge concerned has Islam overtones, many parents and religious circles have been dissatisfied and have lodged protests.

In fact, the chaos caused by the Malacca Education Bureau's circular could have been avoided. The reason being that 5 years ago, the Education Ministry already formed a committee comprising all religious representatives and, theoretically, the question of mass student prayer could have been discussed beforehand.

Master See Chuan Beng, chairman of the Malaysia Buddhist Federation, disclosed that in a subcommittee session, he once pointed out that our country is a multiracial, multireligion nation where all religious believers have differing styles of praying. If the government encourages students to pray, it should let them do it at their own sites.

The priest said that a consultative committee composed of Malaysian Buddhist, Christian, Hindu and Sikh representatives will hold a meeting to discuss the question of whether primary and middle school students in Malacca state should or should not hold a mass prayer before classes begin in the morning and before school closes in the afternoon.

We hope that Chinese associations in the country, particularly those headquartered in Malacca state, pay close attention to this issue and make known their opinions to the authorities in time, with the view to achieving an appropriate solution.

We believe that for multiracial, multireligion, secular schools, it is not proper to put into practice a pledge or prayer which is not in line with the tenets of any other religion, because such a way of doing things is not

conducive to the unity of other nationalities, besides the fact that it violates the principles of religious freedom and our constitution.

Instruction Rescinded

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 23 Apr 87 p 2

[Excerpts] Deputy Minister of Education Yun Shi Chin has instructed the Malacca Education Bureau to rescind the order for students to hold mass prayers in schools.

He said that the Education Ministry has never instructed all education bureaus in various states to require students to attend mass prayer meetings everyday, because such an act would violate the constitutional rights to religious freedom.

He indicated that he would summon the chief of the Malacca Education Bureau for a clarification of the real situation.

The deputy education minister made the above remarks after receiving a 5-man delegation of the Malaysian Youth Pioneers Corps.

He said that he knew that non-Muslim religious organizations are preparing to convene a meeting to discuss this matter and it is possible that the meeting will pass a resolution acceptable to all parties concerned.

He pointed out, however, that the Education Ministry would never approve of any manifestation which runs counter to our constitution.

Yun Shi Chin added that even if the Malacca Education Bureau wanted to change the term "prayer" into "pledge," it should make sure that our constitution is not violated.

The deputy leader of the youth corps, Senator Wong Peng Ho, who was present at the scene, confirmed that the Malacca Education Bureau issued the order during the first-term recess, requiring the compulsory mass prayer for students before classes begin in the morning and school closes in the afternoon.

This move has displeased parent-teacher associations and reflected a disrespect of parents, besides violating freedom of religious belief as stipulated in our constitution.

Mr Wong said that the term "Tuhan" mentioned in the prayer text is a term used in Islam and is inappropriate to non-Muslim followers.

He pointed out that a number of parents are agnostics who do not want their children to be influenced by any religious color in school.

9300/12851

CSO: 4205/16

BRIEFS

JAPAN VIEWS MALAYSIA'S ECONOMY--Kuala Lumpur, Wednesday [22 April]--Mr Atsumu Hirano, director of the Bank of Tokyo Ltd here in Kuala Lumpur, said Malaysia's economy, which is growing at an increasingly better rate, should prompt the authorities to review their plan in regard to trading loans for capital. He said the Malaysian economy was good and, therefore, there was no need for caution because this might present the wrong image to foreign investors and countries. After announcing the bank's new services here, Mr Hirano informed newsmen that the plan should be considered only if Malaysia's economy was precarious. "Although there is a plan to exchange loans for equity, I feel this need not be done because the Malaysian economy is not as bad as those of several other countries," he said. Early in March, Mr Koei Narusawa, an economic advisor to the president of the Bank of Tokyo, was reported as saying Japanese financial institutions that had granted loans to Malaysian companies were prepared to exchange them for equity shares. Mr Hirano explained that as long as Malaysia could settle its debts within the established time period, there is no need to exchange loans for equity. Mr Hirano explained that this method had been offered by those granting loans in the past 3 years when a number of Latin American countries faced national financial crises and could not pay their debts. "This method was used for Mexico and then for several developing countries including the Philippines. It is not needed for Malaysia because there is no concern about its economy," he explained. [Text] [Kuala Lumpur BERITA HARIAN in Malay 23 Apr 87 p 1] 6804/9604

PARTIES VIEW MAHATHIR'S VICTORY--Kuala Lumpur, 24 April--This evening Datuk Dr Ling Liong Sik, MCA [Malayan Chinese Association] president, said his party respected and accepted the decision of the UMNO [United Malays National Organization] delegates. He made this statement when commenting on the victories of Datuk Sri Dr Mahathir Mohamad in retaining his position as the UMNO president and of Mr Ghafar Baba re-elected as the deputy president of that party. Datuk Dr Ling also congratulated the three elected vice presidents, Datuk Amar Wan Mokhtar, Datuk Abdullah Badawi, and Mr Anwar Ibrahim. "Those of us in the MCA will continue to work closely with the UMNO in the National Front within the context of a multiethnic Malaysia," he said. Datuk Samy Vellu, MIC [Malayan Indian Congress] president, in celebrating the victory of the two UMNO leaders, also said that the victories demonstrated the caliber and the maturity of the homeland's UMNO delegates. "The victories demonstrated that

Datuk Sri Dr Mahathir Mohamad and Mr Ghafar Baba are two leaders who together can solve the problems of and face the challenges to our country," he said. According to him, the election of the UMNO leaders was not an election just for UMNO members but was an election for the entire populace because the UMNO is a stronghold party in the Malaysian political arena. The PAS [Pan-Malayan Islamic Party] said it had forecast that Datuk Sri Dr Mahathir would retain his position as the UMNO president with a slight majority of the votes. Haji Hassan Shukri, a member of the PAS ruling executive committee, said Datuk Sri Dr Mahathir's victory would have no influence on PAS's policy toward or its opinion of the UMNO. "For the PAS, the question of who heads the UMNO is unimportant because as long as the UMNO's policy remains the same, PAS's policy toward the UMNO will remain unchanged," he said. [Excerpts] [Kuala Lumpur UTUSAN MALAYSIA in Malay 25 Apr 87 p 2] 6804/9604

MCA CHIEF MEETS KIT SIANG--Datuk Ling Liong Sik, the president of the MCA [Malaysian Chinese Association], met Mr Lim Kit Siang, the general secretary of the DAP [Democratic Action Party], on 29 April. This was the first meeting in several years between the most senior leaders of the two parties. Datuk Ling, who is also minister of transport, said, in a statement issued in Kuala Lumpur, that there was a discussion of a number of issues at the 1 and 1/2 hour meeting. He said that both sides had taken an initial step toward creating a "bridge of agreement." He added: "We also agreed to meet from time to time, and that such meetings will not be used for political purposes." Datuk Ling said that he and Mr Lim will meet again this week to discuss problems concerning the Chinese community. The time and place for the meeting have not been released to the press. [Text] [Kuala Lumpur UTUSAN MALAYSIA in Malay 30 Apr 87 p 7] 5170/9604

KIT SIANG'S COMMENT--Mr Lim Kit Siang, general secretary of the DAP, said on 30 April that his meeting with Datuk Ling Liong Sik, the president of the MCA, held on 29 April, was "private" and "secret." He said that the two sides agreed that the meeting was a "private" matter between the two parties and, in that connection, he will not issue a statement. However, Mr Lim declared that the meeting, which lasted for 1 and 1/2 hours, touched on several issues, including those related to national political questions and the dilemma faced by the Chinese community since the country has become independent. [Excerpt] [Kuala Lumpur UTUSAN MALAYSIA in Malay 1 May 87 p 3] 5170/9604

CSO: 4213/87

REPORT ON SOCIALIST UNITY PARTY CENTRAL COMMITTEE MEETING

Auckland NEW ZEALAND TRIBUNE in English 27 Apr 87 p 12

[Article in the "Party Life" column]

[Text]

THE Party's Central Committee met over Easter. It identified the most important areas of work for the Party.

1. Mass working involving the elections. This will be the subject of a national newsletter to branches.

2. Tribune Distribution. The Central Committee decided to launch a campaign called "TARGET TRIBUNE". It was agreed to aim to double Tribune subscriptions within three months. Apart from a subscription drive, improving the distribution of Tribune is set as a major branch task. It is stressed as a primary task.

3. Fundraising.

We are half way to our end-of-June Fighting Fund target of \$27,000. With only a few weeks to go we need to raise \$13,500. The raising of money is one of the most important jobs in our Party. Money is a weapon, a tool, a lubricant—it is a political and organisational priority.

Branches are required to consider these three matters as of absolute importance. They are the three prongs of any branch plan. Where and when to distribute the paper—to and by whom; organised activities to raise funds—from whom, and do they know the purpose? These are two main elements of branch activities—approached in a style of work designed to get wider involvement and understanding.

These are the tasks today. ■

SUP RECRUITING VOLUNTEER WORK BRIGADE FOR CUBA

Auckland NEW ZEALAND TRIBUNE in English 27 Apr 87 p 9

[Organ of the Socialist Unity Party of New Zealand]

[Text]

NEW ZEALANDERS have been visiting Cuba for the past four years as part of the Australia-New Zealand Work Brigade. Another Brigade is being organised for January 1988. People from a wide range of backgrounds and ages (teens to seventies) have found these brigades a unique experience.

The brigades spend about seven days (not consecutive) picking fruit in a citrus orchard and two-and-a-half weeks on a variety of other activities. Examples of previous activities are visits to historical sites in Havana, a trip to a school on the Isle of Youth and a five-day tour of one of Cuba's provinces. As well, there are meetings and talks on various aspects of Cuban society such as education, health, trade unions and foreign policy. Cultural and social activities form an important part of the visit, and there is free time provided to look around Havana.

The final programme is worked out on the basis of the preferences expressed by participants. Members of previous brigades have also pursued special interests, ranging from town planning, religion, and the Jewish community to women's rights.

Our host in Cuba is the Cuban Institute for Friendship with the Peoples, which organises all aspects of the visit, including the camp where we stay. Young Cuban Guides/interpreters live with us at the camp and are helpful in all our activities.

The cost of the one-month visit is not yet known (airfares are yet to be confirmed) but it should not exceed \$4998, which includes accommodation, meals and all travel. There will be a two-night stopover each way in Mexico City. Brigade members can also take part in an optional ten-day extension tour to Nicaragua.

For further details contact the New Zealand-Cuba Friendship Society, PO Box 6716, Wellesley Street, Auckland. The Brigade can be booked through any travel agency. Just ask for details of Tim Round's 'Round Cuba' tour. ■

REGIONAL LABOR PARTY CONFERENCE HITS GOVERNMENT POLICY

Central North Island Demands

Auckland THE NEW ZEALAND HERALD in English 18 May 87 p 5

[Text]

Another regional conference of the Labour Party has voted solidly against the free market policy of Rogernomics.

The Parliamentary Under-Secretary for Agriculture, Mr David Butcher (Hastings), fought a sometimes lonely battle against the anti-Government tide at the Central North Island conference of the party in New Plymouth at the weekend.

The 80 delegates voted with good humour, but decisively, to:

- Reject the policy of the free market.
- Demand that the Government buy back the shares it has sold in the Bank of New Zealand.
- Call for a capital gains tax.
- Condemn the \$1 charge on medical prescriptions.
- Oppose the concept of "user pays" in education.
- Support Government intervention to promote regional development.
- Endorse the four-point programme of the Federation of Labour calling on the Government to restore full employment, maintain living standards and promote regional development and peace.

Cost

About half the delegates represented unions. Officials said this was a higher proportion than usual, because of the cost

for branch delegates to travel to such a relatively isolated place as New Plymouth.

As at other regional conferences this year, the unions were strongly opposed to Rogernomics.

But virtually all the branch delegates also voted against the policy of the "free market."

They could not understand how the Labour Party had moved so far away from what they saw as its traditional socialist roots.

One remit, which was carried unanimously, urged the Labour Government to "recognise its working class origins and state its socialist objectives and be more supportive of the lower-paid portion of the economy."

However, privately, many branch delegates accepted that the manual working class was becoming a much smaller section of society.

Delegates were uneasy about Rogernomics, but uncertain about whether there was any alternative.

Of the six MPs who were present for part or all of the conference, only Mr Butcher consistently supported Rogernomics.

He argued that Labour's traditional belief in co-operation rather than competition had to be adapted to fit a world in which Britain no longer guaranteed New Zealand a living.

Health

"We are living in a world where we have to compete for a livelihood," he said.

On prescription charges, he argued that, in a limited health budget, more priority should be given to reducing the cost of going to a doctor and less to maintaining a virtually 100 per cent subsidy on medicines.

He supported a suggestion by the health benefits review committee that all benefits could be rationalised to a flat 85 per cent subsidy.

"If the prescription charge was increased to \$4, you could cut the cost of going to the doctor by 85 per cent for everyone."

Lange Defends Police

Auckland THE NEW ZEALAND HERALD in English 18 May 87 p 5

[Text]

The Prime Minister, Mr Lange, told a Labour Party conference at the weekend that the past three years of "hard labour" had laid the foundations for a return to traditional Labour values in its second term.

Mr Lange was in top form as he broke away from his prepared speech to tell Labour's Central North Island regional conference in New Plymouth that it should stop arguing over policy and realise that the election was near.

His theme was the one the party has signalled in its advertising — that Labour had not taken the tough economic decisions only to let National reap social benefits.

"What this Government has done makes me more determined than I have ever been in any election about winning it," Mr Lange told about 80 delegates in New Plymouth.

"We in the Labour Government have not gone through the past three years of taking it on the chin and being resolute in the interests of New Zealand

to see some sort of hijacking of our agenda for social change by a group which is run on fear," he said.

"There have been three years of hard labour. That is the truth."

Right from the day of the election, the Government had been forced to be tough. It devalued the dollar even before it took office, and produced its first budget within four months.

The Government had been forced to be "resolute" because it had to ensure that what it did to

support people affected by the adjustment "could not be so dramatic as to subvert the entire policy."

"Now people have had a tough time, but there are some good things for nationhood and for New Zealand," Mr Lange reminded the party.

New Zealand had adopted an independent, nuclear-free foreign policy, in contrast to a National Party which would offer New Zealand's posterior "to be kicked by whomsoever wanted to have a crack at it."

When people complained, Mr Lange urged his party members, they should reply: "We took those tough decisions and no one else had the resolution to do it."

"We took those tough decisions so that in the second term of Government we could have an economy fitter for people to live in," he said.

"The emphasis will be on social policy and on the traditional basic Labour objectives in the areas of health, housing, education and social welfare."

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CSO: 4200/622

LABOUR PARTY DENIES SUGGESTIONS OF 'LEFT WING' TAKEOVER

Auckland THE NEW ZEALAND HERALD in English 1 May 87 p 5

[Text]

The Labour Party has vigorously denied suggestions of an orchestrated left-wing takeover of the party's organisations in safe seats.

However the party president, Margaret Wilson, said yesterday that it was not surprising that four trade unionists had been selected as candidates in four safe seats because they were working-class seats.

Unionists have been selected to stand for the party in Avon, Papatoetoe, Island and Bay of Plenty, while another is expected to win the party's nomination in Pencarrow.

The Leader of the Opposition, Mr Bolger, said yesterday that the "hard left" of the union movement had taken further control of the Labour Party with the selection of Mr Graham Kelly in Porirua.

Mr Kelly joins Mr Ross Robertson in Papatoetoe, Liz Tennet in Island Bay, and Mr Larry Sutherland in Avon.

A former vice-president of the Federation of Labour, Sonja Davies is expected to win the party's nomination for Pencarrow.

Mr Bolger said yesterday that the Porirua selection showed that the trade unions still controlled the Labour Party in "true trade

union fashion," he said they were exercising control to promote their own.

Maoris

He criticised the party not only for ignoring "moderates" in its Porirua selection, but also of "pushing to one side" Maori New Zealanders.

The Labour Party had again refused to select a Maori candidate for a safe Labour seat, he said.

This year the National Party would field six excellent Maori candidates in winnable seats.

However, Margaret Wilson said the Maoris nominated for Porirua had been too late.

"I would have dearly loved to select a representative of the Pacific Island or Maori community, but they nominated too late."

Rogernomics

As far as trade unionists were concerned, she said that in the present Labour caucus there were 14.5 per cent of members, including those retiring, who worked for trade unions.

"That is less than the number of women, lawyers or teachers."

The trade unionists should be in the caucus to represent the interests of wage and salary earners.

The unions from which the successful nominees had come covered the spec-

trum, and there was no orchestrated left-wing takeover.

Asked whether the Labour caucus after the election would be less supportive of the present Government's economic policies, Margaret Wilson said Rogernomics had been adopted because it was necessary to get the economy right first, then it would be possible to implement Labour's social policies.

An acknowledged opponent of Rogernomics and former party president, the MP for Sydenham, Mr Jim Anderton, yesterday described suggestions of an orchestrated campaign by a "broad left-trade union" coalition as irresponsible.

The retiring MPs in Avon and Papatoetoe both had trade union backgrounds, while Liz Tennet, the successful Island Bay contender, owed as much to the support of the women's movement within the party as she did to trade union backing.

Mr Anderton said it was an insult to Sonja Davies to suggest that she required any kind of clandestine help to win widespread support in Pencarrow.

"In Porirua, trade unionists were clearly active in support of Graham Kelly, but this is surely not surprising given the socio-economic composition of the electorate."

Tensions

In Auckland, the most striking sign of a trade union push into Labour can be found in the Auckland Central electorate, where a workers' branch has been formed.

The seat is held by the Minister of Transport and Associate Minister of Finance, Mr Prebble.

The workers' branch was formed quietly about two years ago, but in recent months has been more active. It claims 113 members.

However its presence in Mr Prebble's territory has generated tensions and opposition from his long-time support groups although the branch denies that it has any long term strategy to cause the MP trouble.

The branch secretary, Mr Matt McCarten, an official of the Hotel Workers' Union, said yesterday: "We are not trying to promote anyone over Mr Prebble."

"The situation is that branch members have been involved with the party for some time. Most of them felt isolated in general branches and saw a need for a branch which fairly represented their interests."

Difficulties

Branch members felt strongly that the Labour Government's economic policies did not protect workers' interests. By forming their own branch, they hoped to make the MP more accountable and provide a forum to promote their interests.

It was not a left-wing push, Mr McCarten said. Few workers would dispute that they had not fared well under the Lange Government's free market policies and growing numbers of working people wanted a say.

The branch operated under some difficulty. It had been given the approval of the party's governing council but remained unaffiliated with the Auckland central Labour Electorate Committee.

Mr McCarten said moves were underway to resolve the affiliation issue.

He believed similar branches could be formed in other sensitive electorates, such as the Manurewa seat of the Minister of Finance, Mr Douglas, and in the Prime Minister Mr Lange's Mangere seat.

'Legitimate'

Mr McCarten said the strategy was quite legitimate and reflected a broad desire among unions and workers to have a greater influence in party policy.

Meanwhile, the Labour candidate for Papatoetoe, Mr Ross Robertson, last night described as nonsense reports that he was one of the new, left-wing unionists headed for the party caucus.

Mr Robertson, and adviser on industrial engineering issues with the Auckland Freezing Workers' Union, said he was a strong supporter of the Government's economic policies.

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CSO: 4200/622

CONTENDERS FOR LABOR PARTY PRESIDENCY PROFILED

Wellington THE EVENING POST in English 16 May 87 p 2

[Article by Tim Grafton]

[Text]

A battle is looming between economist Rob Campbell and senior Government MP Helen Clark for the presidency of the Labour Party.

Both candidates confirmed they had been nominated for the presidency. Neither indicated they would be withdrawing from the race.

Party president Margaret Wilson, who has held the position for the past three years, is to step down at the party's annual conference in November.

Nominations for the presidency and a number of senior positions within the party close at the end of this month. Labour party secretary Tony Timms said details of nominations would not be disclosed until early next month.

Fallen out

Ms Clark topped the poll at Labour's annual conference with 641 votes and Mr Campbell came third with 576 when both were elected to the party's executive.

Mr Campbell resigned from the Federation of Labour's executive last year. He has fallen out with a significant part of the

union movement over his support for the sale of Bank of New Zealand shares and his qualified backing for the Government's economic policies.

He was appointed by the Government as one of the three commissioners on the Economic Development Commission. He has also been appointed to the boards of the Bank of New Zealand, New Zealand Post and Mitsubishi New Zealand.

Mr Campbell said his nominations had come from both unions and branches, but he would not specify either except to say none of the branches are in Wellington. While he gave no indication of withdrawing from the contest, he said whether he would ultimately let his name go forward would depend on who else was in the race, his support and his work commitments.

Mr Campbell also sits on the party's policy council.

Broad support

Ms Clark, who has been on the party's executive since 1978, said her nominations had come from electorates and not just those in Auckland where she represents

Mt Albert. She said she would be letting her name go forward.

Ms Clark's positions within the party are extensive. She has served on the Auckland regional executive, the policy council and has been president of the youth council as well as secretary of the women's council. In all those respects, she would be a clear favourite for the position, enjoying broad-based party support.

What may count against her is the likelihood that she would enter Cabinet if the Government were re-elected. She came very close to being elected to Cabinet in 1984 and her role as chairwoman of the Foreign Affairs and Defence select committee has won much respect.

The other factor that may hinder her chances is the problem some people perceive in having a president who is also a member of the parliamentary Caucus. This, some believe, can split loyalties, yet others argue it could provide greater leverage for the party in Caucus.

The last time a party president was an MP occurred in 1976 when Roskill MP Arthur Faulkner was elected president.

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CSO: 4200/622

LABOR EXPECTED TO OUTSPEND NATIONAL PARTY IN ELECTION

Auckland THE NEW ZEALAND HERALD in English 18 May 87 p 4

[Text]

The Labour Government will outspend the National Party by \$10 to \$1 in the run-up to this year's election, according to the National Party secretary-general, Mr Max Bradford.

In a blunt speech to the party's divisional conference in Palmerston North yesterday, Mr Bradford told delegates that they would have their work cut out to achieve a National Party victory this year.

Along with other party officials, Mr Bradford tried to galvanise party workers in preparation for an intensive few months of hard work between now and the election.

Most members of the party hierarchy who spoke at the conference — including the Leader of the Opposition, Mr Bolger — criticised the Labour Government's "propaganda" machine.

The president, Mr Neville Young, criticised in particular the present anti-crime advertisements running on television and in the newspapers.

He described the "Crime Can't Live in a Community That Cares" advertisements as blatantly party political. Mr Young is referring them to the broadcasting complaints committee.

Mr Bradford took up a similar theme in his speech yesterday, saying the party was entering a difficult few weeks.

If the general election was held on August 8, there were only 12 weeks in which party workers had to persuade people to support National.

The final regional conferences for the year would be held in the Waikato and Auckland next weekend. If a four-week campaign was discounted, the party had only seven weeks in which to prepare.

Mr Bradford said that during that short time, the National Party had to complete canvassing electors, raise

funds, complete candidate selections and increase public awareness of its candidates, particularly those in marginal seats.

The party had to complete and announce its policies and launch its advertising campaign, and to convince electors that it deserved full support.

"The reality is that we have some way to convince what is a very large undecided vote that we have all those qualities," said Mr Bradford.

The Labour Government would outspend National by 10 to 1, with much of the spending being at the taxpayers' expense.

Mr Bradford said that in his two months in his present position, he had been impressed with the dedication of party workers.

But he was disturbed that many of them seemed to still have a "frame of mind that we are in a November election mode."

He said there was too much concentration on the party's own negatives, rather than on Labour's negatives, and the National Party's real positives.

The attack on the Government "propaganda" machine was picked up later by the Deputy Leader of the Opposition, Mr Gair.

He said National had to break through "the screen of public, media suspicions and particularly Government public relations half-truths" to better inform voters about the true state of the economy.

"During the past three years, we have been facing a phenomenon which no previous Opposition has had to confront," he said.

"This phenomenon is a mighty Labour Government propaganda machine staffed at the taxpayer's expense, financed at the taxpayers' expense, to convince the voters that the Labour Government's performance is good and all is right with the world."

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CSO: 4200/622

'LACKLUSTER' UNION CANDIDATES' DRIVE FOR PARLIAMENT

Auckland THE NEW ZEALAND HERALD in English 1 May 87 p 6

[Editorial: "Signals From Porirua"]

[Text]

Among the 55 members of the fourth Labour Government are 10 lawyers, 10 teachers, five academics, four farmers, three businessmen, 16 refugees from various other professional or white-collar occupations and just seven members who could be said to have advanced to Parliament from trade unions.

The numbers provide a glib rationale for the union movement's sudden drive to bolster its representation in the next Labour caucus, a rationale the party president is quick to invoke. But it will not wash with the electorate.

Labour's political metamorphosis began a long time ago and the industrial wing has barely bothered to resist the process for a generation. It stirs itself now for one reason: it fears the free market and intends that its new implants would shackle, if not reverse, the Government's progress in a second term.

That aim is obvious enough, in every utterance of the Federation of Labour and Mr Ander-ton's touring sideshow. Less apparent is the influence they would gain within a governing caucus if they seize every seat being vacated by retiring Labour MPs this year.

So far they have won four nominations and can reasonably expect a fifth now that Mrs Sonja Davies has been urged to seek Pencarrow. If they can

organise in the Lyttelton electorate as effectively as they clearly did in Porirua this week they will manage a clean sweep of the available seats. But three of the seats already are warmed by lacklustre union proteges and the movement must be hoping for improvement in the quality rather more than the quantity of its champions.

It may be destined for disappointment on both counts. Politicians promoted by sectional interests have a habit, happily, of recognising wider responsibilities when they reach Parliament. Among the few former unionists in the present Government are the Minister of Overseas Trade, Mr Moore, and a keen apostle of Rogernomics, the Parliamentary Under-Secretary for Agriculture, Mr Butcher.

Conversely, the Government back benches contain a handful of members with no overt union affiliation who remain wary or resentful of the windows opened on the economy. They are not those likely to lose rural seats in the election. If the ranks of the disaffected are to be swelled in a reduced caucus the prospect may be costly for the Government in the approaching poll.

More is the pity, for voters excited by economic change, that some recent National choices of candidates indicate on that side, too, a dearth of new talent.

MAORI DEVELOPMENT CORPORATION STILL EXPECTED

Auckland THE NEW ZEALAND HERALD in English 1 May 87 p 5

[Text]

The new Maori Resource Development Corporation is still expected to go ahead this year, in spite of being ignored in a major revamp of Maori legislation introduced this week.

The Minister of Maori Affairs, Mr Wetere, said yes-

terday that the corporation could be established without the need for legislation.

It is expected to be created as a company under the Companies Act.

The 407-clause Maori Affairs Bill, introduced on Wednesday night, restates the objectives of the Maori Affairs Department with few changes from the original, 34-year-old law.

There is no indication that the department's objectives have been narrowed in scope by transferring its economic development role to the proposed corporation.

But Mr Wetere confirmed that, under the proposed restructuring, the department would concentrate more on policy, monitoring and planning, rather than investing money in Maori development.

Mr Wetere said the Government had still not concluded its discussions on the membership of the board of the new corporation.

But he did not deny a statement by the chairman of the Maori Council, Sir Graham Latimer, that the

corporation would be headed by a former managing director of Dominion Breweries, Mr Jim Fletcher.

It is understood that the Government sought two possible Maori business leaders for the post. But both have recently died.

Other Maori leaders have been ruled out on the grounds that they are academics or administrators. The Government is determined that the new corporation should be headed by someone with "hard-headed" business experience.

Although Mr Fletcher is a Pakeha, it is understood that most of the other members of the board will be Maori. They are expected to be named within the next two months.

Mr Fletcher last night declined to comment on reports that he has accepted the chairmanship of the Maori Development Corporation.

"I'll let you know as soon as we can release anything," he said.

/9274

CSO: 4200/622

PANGU PARTY ACCUSES WINGTI OF COMMUNIST LINKS

Port Moresby PAPUA NEW GUINEA POST COURIER in English 18 May 87 p 13

[Text]

THE Prime Minister, Mr Wingti, must admit his and the People's Democratic Movement's links with communist interests, says Pangu Party, national president Pate Wamp.

The nation was suspicious of the PDM's honesty and commitment to the processes of democracy following disclosures of senior PDM minister Gabriel Ramoi's alleged role as a soviet agent, Mr Wamp claimed.

"We know that the Prime Minister was an active student Marxist at

UPNG, and Mr Ramoi and the deputy PDM leader, Mr Tom Awasa, were allegedly active sympathisers of communist philosophies.

"There are strong suspicions that PDM was very strongly linked with communist interests," he said.

"Mr Ramoi's distribution of North Korean and Russian propaganda material in 1984 to friends and colleagues in Port Moresby raise further doubts as to whether or not PDM is really a political party representing the interests of Papua New Guineans."

/9274

CSO: 4200/624

COFFEE PRODUCTION DOWN IN FIRST QUARTER

Port Moresby PAPUA NEW GUINEA POST COURIER in English 26 May 87 p 3

[Article by Frank Senge]

[Text]

THE Coffee Industry Board reports a bad first quarter report for the 1987 coffee year.

Both the plantation and small holder sectors reported a production that was 33 per cent below that of the corresponding period last year.

Total exports for the year to April was 292,934 bags -- K41m worth compared with 294,116 -- K59.6 million -- for the same period in 1986.

The board anticipates takings for the year to amount to K110 million.

Due to the failure of the quota talks in London in May and the resultant plummeting of prices, the board has had to pay out K1.2 million in bounty payments.

There is a revision of the bounty rate each month. International coffee prices have now stabilised above the US\$1 per pound price.

But because of the weak US dollar against the PNG kina, the local prices remain depressed, hence the need to delve into the Coffee Stabilisation Fund.

The board is optimistic that 1987 would be a reasonable year despite the lack of quotas and had exports to non International Coffee Organisation (ICO) member countries.

To date, a total of 3496 bags have been sold to non members comprising 1.96 per cent of total exports.

By mid-April the outstanding forward contracts for the year was 180,000 bags.

Despite lower performances, Angco still heads the other exporters followed by PNG Coffee Exports and Coffee International.

/9274

CSO: 4200/624

DEFENSE SECRETARY CRITICIZES VISITING U.S. 'RIGHTS' DELEGATE

Manila THE MANILA TIMES in English 29 May 87 pp 1, 6

[Text]

DEFENSE Secretary Rafael Iletto cast doubt yesterday on the background of visiting American human rights leader Ramsey Clark, calling it "shady" and "hard to determine."

Iletto gave his assessment of Clark after the latter announced he would lobby for American support to disband the proliferating anti-communist groups in the country, such as the Alsa Masa.

He told newsmen that "some of his (Clark's) countrymen think of him as left-leaning." Iletto expressed the suspicion that Clark's mission would be used by some leftist groups to malign the government.

According to him, "he (Clark) came here not as official government visitor" but as a guest of the anti-military Philippine Alliance for Human Rights Advocates (sic).

Clark earlier had expressed

strong suspicions that the US Central Intelligence Agency (CIA) might be responsible for the formation of the vigilante groups with the tacit approval of Philippine government officials.

Clark said this after he noted some parallels between vigilante groups formed in South Vietnam before Saigon fell to the communists.

Iletto, for his part, admitted the "possibility" that some government officials "exchange views and information" with the CIA.

But Iletto quickly added that CIA relations "are very hard" to maintain nowadays, "because younger people" believe "we (the Filipinos) should not work with the US."

Clark served as a US government official in the past. He resigned during the height of the Vietnam war in 1968.

Sources in Camp Aguinaldo said Clark has close relations with local human rights lawyers, who, despite the military's distrust, were appointed to high positions by President Aquino shortly after she assumed her post.

Iletto also brushed aside the capability of disgruntled military and political elements to topple the government. He said the military gained a renewed "confidence" for itself after two much-publicized attempts by oppositionists to duplicate the EDSA revolution fizzled, for lack of both civilian and military support.

Iletto's optimism ran counter to intelligence reports indicating that would-be rebel soldiers and opposition politicians will again launch another "week end delight, or another coup attempt over the weekend."

/9274

CSO: 4200/619

EDITORIAL RESPONSE TO GORBACHEV REJECTS ALL SUPERPOWER PRESENCE

Manila PHILIPPINE DAILY INQUIRER in English 22 May 87 p 4

[Editorial: "Superpowers Should Leave Asia Alone"]

[Text]

SOVIET leader Mikhail Gorbachev has thrown a diplomatic challenge to Washington that President Ronald Reagan could have a tough time wriggling himself out of. Raising a proposal similar to one he issued concerning intermediate nuclear-armed missiles in Western Europe, Mr. Gorbachev has called on the United States to join the Soviet Union in abolishing all intermediate-range nuclear forces in Asia. For us Filipinos, in particular, the proposal is most relevant. In the Philippines -- along with Japan and South Korea -- the US is believed to have stored and deployed nuclear weaponry.

For years the US embassy in Manila, following standard State Department practice, has neither confirmed nor denied the presence of US nuclear weaponry in the Philippines. But since America's military bases here are an important component of Washington's forward defense system, it has been generally acknowledged that US nuclear weapons are indeed stationed on Philippine territory. There are many Filipinos who take comfort in that thought, believing that the American nuclear umbrella is the single most powerful strategic guarantee against encroachment by any other foreign power.

On the other hand, there are also a growing number of Filipinos (and not just radical leftists) who are deeply disturbed that a foreign power is already in place, not only compromising Philippine sovereignty but also exposing the country to danger of nuclear attack should a shooting war erupt between the US and the USSR. Mr. Gorbachev's latest proposal for the mutual abolition of INF in Asia, if read between the lines, also confirms that the Kremlin has poised its own missiles against American military installations in the islands. The danger of vaporization for millions of Filipinos, should actual hostilities between the two superpowers break out, is real.

The Kremlin must have its own ulterior motive for proposing to Washington to join it abolishing INF in the region; thus, the matter should be studied closely not just by the US but also by the governments of those countries to be directly affected. Any premature endorsement of the proposal would make any party seem like it were playing into the hands of the Soviets. Moreover, Mr. Gorbachev's suggestion fails to take into account another nuclear power in the region, China, which over the years has shown a reluctance to even consider any form of nuclear disarmament.

But the major objection to the Gorbachev or any other Soviet or American plan to ease tensions in Asia is that it fails to acknowledge the fact that it is precisely the superpowers' military presence in the region which has given rise to increased tension. The existence of US bases in Korea, Japan and the Philippines has compelled the Kremlin to engage in a massive naval buildup in the Pacific and to secure berthing privileges for Soviet warships in Vietnam. Without superpower meddling, the peoples and governments of Asia have shown that they can get along peacefully with each other. Moreover, the rising standards of living and booming economies of many Far Eastern societies have served to ensure stable, harmonious relations among most nations in the region. Most Asians now believe they are better left on their own. If the Soviets and the Americans were really sincere in their oft-stated desire to guarantee peace in the region, they should then order their military forces to quit Asia altogether.

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CSO: 5200/4312

ACTIVIST VIEWS 'LIMITATIONS' IN CHARTER ANTINUCLEAR PROVISION

Quezon City NATIONAL MIDWEEK in English 8 Apr 87 pp 6, 7, 8, 43

[Article by Frank Arcellana, M.D.: "Nuclear Weapons and the 1986 Constitution"]

[Text]

The officers and members of the National Organization Against Nuclear Power and Weapons, or N.O. Nukes, have mixed emotions about the so-called nuclear weapons-free provision of the 1986 Constitution. Although most of us feel that it is a definite advance in the over-all anti-nuclear struggle, we cannot be too elated about this provision, because of a potential built-in loophole and the numerous limitations and stumbling-blocks to its actual implementation. However, we are not discouraged, and we welcome these new challenges and pledge to persevere more than ever, so that mainly through the help and collective strength of the Filipino people, all of us will soon realize a genuine Philippine nuclear weapons-free zone.

Article II Section 8 of the recently ratified Charter states: "The Philippines, consistent with the national interest, adopts and pursues a policy of freedom from nuclear weapons in its territory."

This provision has historical significance because it makes the 1986 Philippine Constitution the second constitution in the world (after that of the Republic of Palau, an island in the Pacific)

with a nuclear-free provision. Other nations like New Zealand declared themselves nuclear weapons-free through legislation. This constitutional provision then is quite an honor and accomplishment for the Philippines. We commend the constitutional commissioners for their acute awareness of world events, especially the peace movements and nuclear disarmament. The inclusion of this provision may be also a manifestation of the commissioners' responsiveness to the popular clamor of the people to ban nuclear weapons from our country. The nuclear weapons-free provision, if properly interpreted and truly enforced, will make the retention of the US bases beyond 1991 quite problematical for the US military establishment.

The US bases in Philippine territory serve as the infrastructure, forward staging area and "nuclear cockpit" for the US nuclear warfighting strategy in East Asia and the Pacific. In addition, the US military has integrated a lot of its first-strike tactical nuclear weapons into its conventional weapons system.

The scope and intent of the nuclear weapons-free provision

can be gathered from the Con-Com's deliberations on the subject. As gleaned from the Con-Com record, the ban includes nuclear weapons testing and the dumping of nuclear waste. It also prohibits the manufacture of nuclear weapons and parts thereof. It also bans the entry, passage or transit of nuclear arms-bearing seacraft and aircraft. The ban on nuclear-capable and nuclear-powered warships is also strongly implied.

The antecedent phrase, "consistent with the national interest," is the potential built-in loophole that can make the provision worthless and possibly taint the constitutional commissioners with the ignominy of having committed the most grievous deception against the Filipino people in the history of constitution-making.

It should be noted that the Primer on the Constitution published by the Con-Com itself already cites "exceptions" to the nuclear weapons-free provision if it is to be "consistent with the national interest." The commissioners involved in the making of the Primer have thus already exposed this potential loophole.

Speaking of nuclear weapons and the national interest, from the modern, liberated and scientific point of view (as opposed to the backward, colonial, and unscientific viewpoint), nuclear weapons ultimately terrorize all nations and make all nations insecure. Therefore, these immoral instruments of indiscriminate mass killing and destruction cannot serve our national interest or the national interest of any nation, for that matter.

There is a problem however, with the above argument. The Rambos and cavemen in Washington, including the myopic hawks at the Pentagon, insist

that they need to deploy their death toys in their 350 bases in East Asia and the Pacific to enhance their first-strike capability. This warlike policy is part of the US "national defense" which is for US "national security," which is in the US "national interest."

The nuclear weapons-free provision will thus be the acid test of so-called special relations between the Philippines and the US. But have there been such "special relations?" Are the long historical ties with the US based on true friendship, mutual respect and equality? Or have these been characterized more by exploitation, subservience and injustice?

History has taught us that US interests are frequently opposed to Philippine interests. Even Ninoy Aquino assailed such "special relations" with the US back in 1971 as detrimental to our peace and prosperity.

Let us therefore shake off this yoke of mental colonialism, unite with New Zealand, the South Pacific nations and our ASEAN neighbors in banning nuclear weapons, and in declaring our global region a zone of peace, freedom and neutrality.

A few militarists, fascist hold-overs, and traditional politicians have tried to distort the true meaning and intent of the provision either out of sheer ignorance or because of eagerness to please their foreign masters. Some of them would pretend to love nuclear weapons just to be able to get financial and other logistical support from the powerful US military-industrial complex in their campaign for the coming congressional and local elections.

One former martial law administrator, in a speech before a civic group in Bulacan, said that the removal of nuclear weapons

might endanger the security of our region because it would disturb the "balance of power." He was merely mouthing an oft-repeated Pentagon disinformation line.

On a televised public information program on the Constitution, a former senator and constitutional commissioner said that possible exception to the freedom from nuclear weapons provisions which may be "consistent with the national interest" is indicated in the following scenario: since nuclear science is developing, someday Vietnam may learn how to make nuclear weapons and when that time comes, we should probably have nuclear weapons too! (But Mr. Former Senator, doesn't this directly violate Article II Section 2, or the anti-war provision in the Declaration of Principles and State Policies?)

The above are recent examples of the brand of dangerous thinking found even among Filipinos. It is the same kind of thinking we are all trying to change, world-wide, if we ever hope to prevent the incineration and death of the only planet we have.

There are many limitations and stumbling-blocks to the full implementation of the provision and the complete realization of a Philippine nuclear weapons-free zone. First, the provision is non-absolutist in character. It is not an absolute ban because of that potential loophole, to begin with, and because it is only a policy which can be vigorously pursued, or lamely followed, depending on the commitment and resolve of the government.

Second, the timing of its implementation is vague. Will the executive branch immediately invoke the constitutional mandate after ratification or will it drag

its feet and wait for the Congress to convene?

Third, there is a lack of local expertise to inspect the bases for nuclear weapons. Components of nuclear weapons that can be quickly assembled are probably secretly concealed. There will be a need for an independent body of local and international experts which will be in charge of initial verification of deployment and the subsequent surveillance and monitoring of our territorial waters and air space.

Fourth, the extensive areas allotted to the US bases pose a big handicap for any inspection team. Imagine combing through an area as large as the combined areas of Singapore and Washington, DC.

Fifth, the stipulations in the RP-US Military Bases Agreement, like the refusal to discuss the issue of nuclear weapons by the American panel, and the "unhampered use of the bases" clause, are major stumbling-blocks to the immediate implementation of the provision. Because of the "unhampered use" clause, the whole Philippine archipelago has become virtually a US military base where a nuclear weapon can be hidden anywhere.

Sixth, the US military's insolent policy of "neither to confirm nor deny the presence or absence of nuclear weapons" when confronted by the country hosting their bases and receiving port calls to the US warships, is another major stumbling-block.

Seventh, the historical heritage, the structure, orientation, and semi-colonial makeup of the Armed Forces of the Philippines are potential limitations and stumbling-blocks to the full enforcement and realization of the Philippine nuclear weapons-free zone. Would the Philippine Navy and Coast Guard, for instance,

assist a flotilla of fishermen meeting and protesting the entry of a nuclear-capable US warship? Or would they look the other way or even assist in water-hosing and dispersing the protesters?

Despite the numerous limitations and stumbling-blocks confronting us, we must persist and persevere in making our country free from the danger and menace of nuclear weapons. Because of the bases that serve US first-strike and nuclear warfighting capability in East Asia and the Pacific, Soviet SS-20 missiles are now trained on the Philippines, ready to pulverize, vaporize, incinerate and irradiate Luzon off the face of the earth. Like a sword of Damocles, nuclear devastation can fall upon us any time through madness, in desperate retaliation against US nuclear forces, through computer error or by accident.

Even without a nuclear war or even if there is no deliberate or accidental nuclear attack, we remain exposed to the threat of a nuclear holocaust from accidents involving the nuclear stockpile or the transfer and transit of nuclear weapons in our waters and territorial air space. The list is long. There have been literally hundreds of nuclear weapons accidents and "minor incidents" reported by the US Navy that have been only recently declassified. Complex technology cannot be perfect or 100 percent fail-safe. Accidents can be catastrophic, killing not only people but also contaminating fish and marine life, the major source of protein for most Filipinos. We must remember and learn from these recent technological catastrophes: Bhopal, Challenger, Chernobyl. We must not allow the next nuclear catastrophe to take place in our country.

The Soviet nuclear submarine that sank off the coast of Bermuda could have been a US sub-

marine sinking off Subic and scattering deadly radioactive material. The bomb that accidentally dropped from a US warplane and that gouged out a big hole in a rice field in Zambales could have been a nuclear bomb. And such "accidents" have happened before, in Palomares, Spain, and in Greenland, where thousands of acres were contaminated by plutonium.

Because of the ever present nuclear menace posed by nuclear weapons, these nuclear weapons cannot nor can ever be consistent with the national interest.

With the ratification of the 1986 Constitution, we urge the Aquino government to enforce this constitutional mandate calling for freedom from nuclear weapons. A step in the right direction would be the immediate formation of an independent commission, perhaps assisted by international technical experts, to study and supervise the implementation of the provision. Deployment of nuclear weapons on Philippine territory should be verified. Subsequent surveillance, monitoring, and regular and random inspections should be strictly carried out.

The constitutionalization of cause-oriented groups and people's power should pave the way for the recognition, encouragement, protection and appreciation of anti-nuclear and peace organizations, and the vital role of these organizations in the actual enforcement of the nuclear weapons ban. Our own organization, N.O. Nukes, plans to establish community-based citizens' groups called Anti-Nuclear Vigilantes, or ANVs (which is the same acronym for Active Non-Violence). These ANVs will coordinate with the local N.O. Nukes chapter and local law-enforcement agencies.

More than just a symbolic gesture, all the governors and mayors will be encouraged to follow the fundamental law of the land and declare their respective provinces, cities and municipalities nuclear-free zones. They should assist, cooperate and offer police protection to the local ANVs and other peace groups in the surveillance and monitoring of the Philippine skies and waters.

In the realm of international diplomacy, it is high time that the Philippines pursued an independent foreign policy and launched various peace initiatives. It should challenge that haughty policy of the US of "neither to confirm nor deny." It should seek a definite timetable and agenda with ASEAN in the realization of a nuclear weapons-free Zone of Peace, Freedom and Neutrality. It should unite with New Zealand and the South Pacific nations in the establishment of this nuclear-free zone. In pursuit of these new tasks in international diplomacy, a top-level revamp in the foreign ministry may be necessary.

In line with the re-structuring and the re-orientation of the AFP, perhaps it is not unreasonable to allow the Philippine Constabulary to be totally absorbed by the Navy and Coast Guard. We deplore the fact that among the major services, the Philippine Navy is the smallest unit. Is this the proper thing when we are an archipelagic nation with a coastline longer than that of the United States? We must have the biggest maritime fleet in Asia if only to guard and protect our territorial waters. At the present time, how can our Navy police our shores and guard the Philippine seas from incursions of foreign nuclear-bearing and nuclear-capable warships and vessels, when it is not even effective against illegal fishermen,

smugglers, gunrunners, pirates, escaping cronies on the "hold" list, returning fascists and other assorted international criminals? In other words, a truly new, nationalist and re-structured AFP, with the Navy as its biggest unit, would be the minimum military organization necessary to protect the integrity of our territorial waters and air space, and to keep our country nuclear-free.

Since the US bases on Philippine territory serve US nuclear warfighting capability in Asia, and because the more recent tactical nuclear weapons like the Tomahawk cruise missiles have been integrated into the conventional weapons system of the US military, the mere removal of nuclear weapons from the US bases here without the removal of the bases themselves, poses a huge problem, not only for the US military, but also for the hosting country. It is a huge problem for us in terms of effecting "waterproof" and "air-tight" surveillance and error-less verification procedures. In short, the simplest and best way to render our nation nuclear weapons-free may be through the dismantling of these military facilities.

In line with these observations, and since all true Filipinos believe that the bases will have to go sometime, we urge the national government to study all its so-called "open options" now regarding the final disposition of these bases, and not to wait till 1988 when the agreement is reviewed or in 1991 when the actual agreement expires. We propose a step by step phase-out starting with the immediate removal and subsequent prohibition of all nuclear weapons, followed by a radically decreased acreage occupied by the bases to release fertile lands that can be used in the land reform program of the government. Then the rest

of the facilities can undergo economic conversion for peaceful and civilian purposes.

We urge the government to tap the assistance and talent of the academic community, peace organizations and other independent bodies, in doing these exhaustive and extensive studies, so that we can all be ready and well-prepared to finally win true independence and sovereignty for ourselves and our children.

/9274

CSO: 5200/4311

CONDITIONS AT REFUGEE PROCESSING CENTER PROMPT CONCERN

Quezon City WE FORUM in English 29 May 87 p 5

[Text]

Reports on "improper conditions" and "criminal and immoral activities" at the Philippine Refugee Processing Center (PRPC) in Morong, Bataan, have greatly alarmed member nations of the United Nations, especially the United States.

This writer has gotten hold of a letter addressed by the U.S. embassy in Manila to the administrator of the PRPC listing a litany of "malpractices" inside the refugee camp and that the embassy wants it remedied -- and fast.

The document "suggests" that theft, bribery and other forms of "rackets" were being committed by refugees against other refugees. Also on the rise are prostitution and sexual abuse on refugees by other refugees and in some instances by camp personnel.

The administration of the PRPC is distinct and separate from the local government of Morong, it being an independent agency operated by the United Nations.

The memory of the uproar over the 1980 outflow of refugees from Cuba's Mariela Harbor, which sent large numbers of criminals to the United States, looms large for American officials who screen candidates for resettlement.

It may be recalled that the Cuban dispute has caused a public backlash against the refugee program in general.

Law enforcers in New

York, Boston, San Francisco, Los Angeles already have expressed concern about extortion, robbery, gambling and other crimes among increasingly active gangs of resettled Vietnamese refugees. These gangs have been preying on fellow refugees and other Asians traditionally reluctant to cooperate with authorities.

The United States sends Indochinese to the Bataan Center after accepting them for resettlement from first asylum camps in Asia or under the orderly departure program from Vietnam.

One should only visit the PRPC premises in Morong and get quick interviews with some refugees to find out that many of them are not only psychologically impaired but also broken down physically as a result of their trauma in getting out of Vietnam.

While the Bataan refugee center is remarkably peaceful compared to other camps in Asia, it has been plagued by increasing activity by three major Vietnamese gangs.

Insiders call them "The Long-Hairs," "The Man Ho Group," and "The Gang of Five." They commonly extort payments from fellow refugees in exchange for promises not to disrupt their language and other studies and thus delay their departure.

It was said that the "Gang of Five" arrived from a Malaysian camp in September 1983 and in January 1984 attacked a

refugee with machetes, inflicting cuts all over his body. The victim had to be flown to the U.S. on an emergency flight.

When refugees commit crimes, they fall outside of the English classes and other activities that give structure and direction to camp life.

Vietnamese gang member Nguyen Dinh Hieu is one among several dozen accused of crimes, including extortion, rape and attempted murder whose departure is on indefinite hold.

Hieu, 24, admits he stabbed and almost killed a fellow refugee in a drunken rage three years ago. He spent the next 22 months in the "monkey house," and has been in and out of rehabilitation since then.

Do Dan, 31, another Vietnamese gang member, complained bitterly on hearing that he cannot now join his younger brother in the U.S. as planned. His brother died in a car accident in Los Angeles, last year.

Now, "I don't feel hungry, don't want to do anything. . . and don't care about my appearance," he said.

The despair of the refugees worsens as they see relatives, friends and other refugees leave for the United States while they stay behind.

But there seems no real solution in sight to this highly sensitive problem. The U.S. has trouble persuading other countries to resettle problem refugees, and yet, they cannot stay in Bataan forever.

(Interco Press)

/13104

CSO: 4200/628

AQUINO URGES NEWLY-ELECTED LAWMAKERS AVOID EXTRAVAGANCE

Manila THE MANILA TIMES in English 31 May 87 pp 1, 6

[Text]

PRESIDENT Aquino exhorted the other night the newly-elected members of Congress and their respective families to "avoid living in extravagant lifestyles, especially during this time when most of our people are living in poverty."

The new Congress, she said, should never backslide to the ways of the old Congress most members of which were noted for their "ostentatious display of power and luxury."

"You and the members of your families should live simple lives so we could lead by example," the President told a gathering of congressmen-elect in an acquaintance party held at the Philippine Columbian in Paco, Manila. The party was hosted by former Agriculture Secretary Ramon Mitra, the elected congressman of Palawan who had earlier announced his bid for the speakership.

Aware of the presence of several opposition and independent congressmen in the gathering, Mrs. Aquino said it was "time to forget the past."

"Let us unite and help each other because we are all Filipinos," she stressed, even as she apologized "to those whom I've hurt during the campaign."

She also congratulated the winning congressional candidates, both of the administration and the opposition, for their "well-deserved" victory.

A good number of opposition congressmen, including Maria Clara Lobregat of Zamboanga City, attended the affair. Former Metro Manila Gov. Ismael Mathay, Jr., who won as congressman of the 4th district of Quezon City, was also present.

Mitra's rivals for the speakership, Francisco Sumulong, Jose Yap, Antonio Cuenco and Cornelio Villareal, also attended the gathering.

VERITAS CRITICIZES AQUINO LABOR PERFORMANCE

Quezon City VERITAS in English 7-13 May 87 p 6

[Editorial: "And Now, The Bad News"]

[Text] "Whether it is giving them good or bad news, I still have to be honest I never promise more than I can give." The forthright statement served President Corazon Aquino well in the face of the Labor leaders' walkout in Malacanang.

But in the eyes of the workers, the Aquino government had promised much and has so far given them little. It will do well for the President to take their disappointment to heart. She needs to convince the people that she has done her best to make good the pledge that her government would improve the workers' lot.

And that will take some doing. It was not the radical leaders who walked out on the President's reception on Labor day. These were members of the more moderate labor groups. The more hostile elements were in the rally at Luneta where Labor Secretary Frank Drilon was loudly booed by the crowds.

These public expressions of dismay indicate some chipping of President Cory's protective Teflon layer against public criticism. Some serious fence-mending is in order if she is to retain her still tremendous popularity.

The high expectation for labor reform is a burden in itself. Clearly, Cory Aquino cannot be expected to do the impossible. But she is in the best position to persuade the two sides to accept the necessary compromise in the meantime.

Did the President know that her Labor day announcement would not satisfy the demands of labor as expressed during the tripartite negotiations?

As reported in a daily newspaper, Executive Secretary Joker Arroyo said that the President ordered the Cola integration on a staggered basis because "this is what was conveyed to her as having been agreed upon"

But the DOLE Secretary asserted that he had not misrepresented the situation and that he had informed the President of the disagreement between labor and management in the wage issue.

What is the truth?

We believe that the embarrassment could have been avoided. If indeed Malacanang was well advised about the situation, the workers could have been at least assured that government is sensitive to their demands, but given the economic crisis, it must postpone the satisfaction of these demands. Perhaps, all government needed to do was to ask for time. Some conciliatory measure could have taken the sting from Labor's disappointment.

The Labor issue seems to suggest once again a communication gap among government officials, with very serious consequences.

It can also be perceived as a wavering on the part of the Aquino government on the popular bias that it projected so stunningly during its campaign for the presidency.

Either way, the problem calls for presidential action.

/13104

CSO: 4200/628

WEEKLY QUERIES CABINET SECRETARY ON GOVERNMENT LAG

Quezon City VERITAS in English 7-13 May 87 p 16

[Interview with Jose de Jesus, Cabinet Secretary; time and place not indicated: "Bureaucratic Inaction--A Slump in Performance?"]

[Text]

PRESIDENT Aquino has created a total of 18 committees since she came to power. These committees have been perceived, rightly or wrongly, to have gone into hibernation since the congressional race took off last March 9. In a country where elections arouse much interest (that is, aside from basketball and beauty pageants, according to one columnist), the performance slump is almost expected. But under an administration that prides itself as "a vast improvement" on its predecessor, the decline in official interest can only result in skepticism. *Veritas* turned to Cabinet Secretary Jose de Jesus to clarify whether the government has indeed been overtaken by inertia during the last two months.

Q: How many committees/task forces have been formed since Mrs. Aquino assumed office?

President Aquino has created 18 committees since February 1986. Among the principal committees that are undertaking their mandated functions are the crisis committee, the sub-cabinet committee on the concerns of the Commission on

Audit and the Civil Service Commission and the cabinet action committee on land reform. The ad hoc committee on the selective retention of the Batasan personnel, the 1986 Independence Day committee and the ad hoc fact-finding committee on the Manila Hotel incident are three of the seven committees that have accomplished their functions. Those that have been institutionalized by the issuance of Executive Orders are the National Security Council, the Presidential Blue Ribbon Committee and the committee on privatization.

Q: What's the progress of the committee on graft and corruption once headed by Laban senatorial candidate Rene A.V. Saguisag?

Replacements have been made. I'm now the chairman of the presidential committee on public ethics and accountability. The President created this new committee last April 8 to address the problem of graft and corruption in government. Justice Secretary Sedfrey Ordoñez, Health Secretary Alfredo Bengzon, Public Works Secretary Vicente Jayme, Natural Resources Secretary

Fulgencio Factoran, PCGG Chairman Ramon Diaz and Agriculture Secretary Carlos Dominguez are the committee's members.

(Note: The committee on graft and corruption which was created last January 7 was only tasked to make an academic study of the problem and thus, it was necessary to form a committee that will tackle the problem.

The committee is tasked with the following functions: the formulation of policies, programs and implementable measures for the promotion of public ethics and accountability and to control graft and corruption in government; the coordination, monitoring and assessment of the implementation of these programs as carried out by the different departments and offices; the submission of periodic reports to the President, the cabinet and the general public on the progress of these programs.

The transition problem due to the national elections, as far as the committees are concerned, were minimal and were promptly dealt with.

Q: Why does President Aquino create a committee or task force

whenever an issue or a problem crops up?

The President creates a committee only in certain specific cases — high priority concerns where planning and implementation are directed to be carried out at a high level to accelerate the resolution of the problem; policy issues where conflicting priorities and interests of different departments, agencies and sectors have to be reconciled; broad policy concerns which cannot be placed within the jurisdiction of a single department or agency and which require a high degree of inter-departmental coordination or sharing of resources.

Q: There's a perception that these committees have become inactive since the start of the campaign because government attention has been diverted to next week's elections. Can you please comment?

This perception is wrong. Seven (committees) have accomplished the purpose they were created for and 11 are pursuing their mandate. Therefore, none can be described as inactive. — MYLB

/13104

CSO: 4200/628

IGLESIA NI CRISTO POLITICAL ENDORSEMENTS VIEWED

Quezon City VERITAS in English 7-13 May 87 p 13

[Commentary in the "Overview" column by Felix B. Bautista: "The INC's Anointed"]

[Text]

WITH ELECTION day just four days away, political rhetoric is being whipped to a frenzy, and charges and counter-charges are being wildly exchanged by the various contending forces.

But the most ridiculous of these charges is that which claims that the Catholic Church and the Iglesia ni Cristo are locked in a deadly struggle for supremacy.

Those who are licking their chops and slaver over the supposed "war" claim that because the INC had come up with its list of 24 senatorial candidates it will support, the Catholic Church drew up its own short list of 10 in what has become known as TOSCA, the acronym for the Ten Outstanding Senatorial Candidates.

The warmongers in our midst, unfortunately, have their "facts" all wrong. The Catholic Church did not release its list as a response to the INC. In fact, it did not release any list at all.

TOSCA, let it be known to one and all, is a project of *Veritas*, and the Catholic hierarchy had no hand in it at all, not in the planning nor in the selection of the candidates to be included. Moreover, the chosen ten were selected on March 30, more than two weeks before the Iglesia made public its own roster.

The Church, we repeat, had nothing to do with TOSCA. It was exclusively a project of this newsmagazine. His Eminence, Jaime L. Cardinal Sin, in fact knew nothing about it until he was presented with a fait accompli. We who dreamed up the project considered it a bonus that he saw the merit in the project and saw fit to endorse -- not the candidates, mind you -- but the process.

Bishop Nestor Carino, the secretary-general of the Catholic Bishops' Conference of the Philippines, was absolutely correct when he said that the CBCP did not endorse the project. We did not expect the CBCP to do so, for it was clear in our minds that TOSCA was a project of concerned Catholic laypersons interested in the case of better government.

So, how can there be a war brewing between the bishops of the Philippines and the INC hierarchy led by Bishop Erdie Manalo? The conflict, we are very much afraid, is all in the fertile imagination of a reporter from a morning daily who saw the INC list of 24 and the TOSCA short list of 10 and concluded, quite erroneously, that a religious armageddon was at hand.

But, while we are on the subject, let us point out certain fundamental differences in the way the two lists were prepared.

Veritas chose its ten outstanding senatorial candidates without any of the candidates being told anything about it. When the 16 selectors convened, they were given an absolutely free hand in deciding, individually, who of the 130-odd aspirants were most deserving of inclusion in the magic circle of ten. As we announced earlier, some opposition candidates figured in the early voting, but they lost out in the final tally.

What we are saying is that the selectors were subjected to no pressure from anyone -- least of all from the candidates -- because no one but a handful of people knew about the project.

Can the same be said of the INC list?

If reports we hear are true, word was sent out to the candidates from all the major parties -- Cory's Coalition, the Grand Alliance for Democracy and the Kilusang Bagong Lipunan -- that if any of them wished to receive the INC benediction, they knew what to do and where to go.

What they had to do -- or so we were told by one candidate -- was to write a letter formally soliciting INC support for their respective candidacies. Where they had to go was to Ka Erdie's home where the letter was to be delivered and where they would be subjected to an "interview" by INC bigwigs.

One GAD candidate, we were told, had to go to the INC sanctum-sanctorum no less than five times before he got the coveted endorsement.

We do not know, of course, what the candidates would have to promise before they could win the nod of the INC hierarchy. But the fact that the INC would have in its possession a letter wherein the candidate formally -- and abjectly? -- begs for inclusion in the sect's ticket could be a deterrent designed to insure that he would not act in a manner adverse to the INC interests. And what would those interests be?

Some political analysts say, however, that it is possible that the supposed solid INC vote could be a myth. And they advance certain examples.

For instance, in the mayoralty election in San Juan, which is the home of the INC, the INC-supported candidate lost.

During the last plebiscite, it was widely known that the INC was for a "no" vote. We all know how that plebiscite went. The "yes" votes won overwhelmingly.

And how did the INC vote during the snap election? It was no secret that the INC moguls were all-out for the deposed dictator.

It would be interesting to find out how many of the Iglesia's anointed 24 will make it to the Senate.

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CSO: 4200/628

EDITORIAL HITS LOCAL GOVERNMENT MINISTER ON APPOINTMENTS

Quezon City WE FORUM in English 29 May 87 p 4

[Editorial: "Mr. Ferrer and the Charter"]

[Text]

Local Government Secretary Jaime Ferrer's act of re-appointing to his post an officer-in-charge who ran, lost, in the elections for Congress, could trigger serious complications.

It is obvious from Mr. Ferrer's statement that he plans to re-appoint more similarly situated ex-OICs, despite an apparent prohibition in the constitution on the appointment to government positions, within one year of an election, of a losing candidate.

What is troubling is Mr. Ferrer's hint that while he well knows the complications of his act, he would push through with it and run the risk of being summoned to court. Ferrer said he was taking the risk because the OIC in question — and there are, he says many others like him — "deserves to be re-appointed".

One wonders where Mr. Ferrer got the idea that a cabinet official's judgment can substitute for a clear constitutional ruling. The charter does not make distinctions of whether or not the losing candidate deserves to get a government post within the prohibited period. It simply bans any such person for one year.

This trifling with the charter is, not surprisingly, becoming a hobby for Mr. Ferrer. In endorsing recently the formation of the notorious anti-communist vigilantes like the Nakasaka, the controversial cabinet secretary said they (vigilantes) concretize the constitutional provision encouraging formation of people's organizations, especially those with avowed aims of promoting or preserving democracy.

It does not seem to matter to Mr. Ferrer that while professing to be champions of democracy, many of these vigilantes have in fact harassed innocent civilians on mere suspicion of their links with communists; or have coerced them to join the vigilante groups on pain of persecution; or have committed such gory and brutal acts as beheading and drinking of human blood, which certainly are not hallmarks of truly democratic societies.

We wonder how many more times, and in what other curious ways, Mr. Ferrer will seek to impose on us his own dubious interpretations of the basic law. Perhaps, until such time as someone takes up the challenge to bring him to court.

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CSO: 4200/628

ALSA MASA RIFT AFTER LEADER ATTENDS GAD RALLY

Quezon City WE FORUM in English 29 May 87 p 3

[Text]

DAVAO CITY — The reported participation of some "Alsa Masa" members in last Sunday's opposition rally in Metro Manila is threatening a rift among leaders of the country's biggest anti-communist vigilante group.

The incident has already brought an atmosphere of suspicion within the "Alsa Masa" hierarchy and a confrontation is expected between radio commentator Juan Porras Pala on the one hand and founder Rolando Cagay on the other.

Pala, now called a "self-proclaimed" spokesman, is being suspected as having allowed the display of a streamer revealing "Alsa Masa" support to the protest-rally of the opposition Grand Alliance for Democracy (GAD) against the Aquino administration.

He was in Manila at the time of the rally on Epifanio de los Santos (EDSA) highway in Quezon City near Camps Crame and Aguinaldo, it was learned here. The rally was dispersed last Monday.

The "Alsa Masa" leadership also denounced the GAD for the "blatant exploitation" of the groups and accused former defense minister Juan Ponce Enrile as having used his

friendship with Pala to drag the Alsa Masa in the rally.

Cagay, alias Boy Ponsa, a former member of the New People's Army (NPA) who surrendered and founded the vigilante group, said Alsa Masa has always been non-partisan.

As this developed Lt. Col. Franco Calida, Davao Metrodiscom chief and regarded as "godfather" of the Alsa Masa, said he will confront Pala "as soon as he comes home from Manila."

Calida said this during a meeting with Alsa Masa leaders Tuesday at the Davao Metrodiscom office, where Cagay and some leaders of the movement aired their gripes against Pala.

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CSO: 4200/628

SUPREME COURT ABOLISHES MILITARY TRIALS OF CIVILIANS

Manila THE MANILA TIMES in English 29 May 87 p 4

[Editorial: "Gancayco Decision: Pillar of Justice"]

[Text]

IN a landmark decision which has bolstered the cause of human rights in the country, the Supreme Court has swept away one of the most repressive features of the martial law regime: the trial of civilians by military tribunals on charges involving the security of the state. Declaring such trials unconstitutional, the court's decision, penned by Associate Justice Emilio Gancayco, expressly rules that military tribunals have no jurisdiction over cases involving civilian defendants and that all such proceedings are null and void.

Indeed, one of the instruments of terror and coercion that deposed President Marcos had institutionalized was the military tribunal, the ground rules of which would lead one to believe that its trials are more or less summary in nature when compared with the rules followed by civil courts. At any rate, being the commander-in-chief of the armed forces who had the final authority to review and impose sentences on all those tried by the military tribunals, Mr. Marcos, who also had virtually muzzled the civil courts, was able to get an iron hold on the country's judicial system.

It is a matter of record that most political prisoners — a legal euphemism as far as Philippine jurisprudence is concerned — most of whom were Mr. Marcos' political opponents, ended up being tried by the military. The most celebrated case of course was that of the late Senator Benigno Aquino, Jr., who stood no chance against the nearly absolute powers of the martial law regime. Aquino's case was railroaded and he was sentenced to death — a sentence that was supposed to be reviewed by Mr. Marcos who, in effect, had become jailer, prosecutor, judge and executioner all rolled into one. We mention all these because the Supreme Court's

far-reaching decision will certainly right a wrong -- the series of injustices committed against such stalwart fighters for freedom as Aquino, Eduardo Olaguer and a host of others. To the late Senator Aquino, especially, who has become the foremost martyr for freedom under the Marcos dictatorship, justice finally has been rendered.

In this context, we join all other lovers of liberty and freedom in hailing the Gancayco decision as another pillar erected to buttress the independence of the judiciary. It can, in fact, be no less than a cornerstone of true justice.

/9274

CSO: 4200/619

LIBERATION CITED ON MILITARY PENETRATION OF NPA

Manila THE MANILA TIMES in English 29 May 87 pp 1, 6

[Text]

COMMUNIST rebels have admitted military agents successfully penetrated their ranks in Mindanao island causing battlefield losses and other setbacks.

In its monthly official newsletter *Liberation*, the rebel National Democratic Front said its forces in northeast Mindanao were "badly damaged by deep infiltration" of military agents last year.

But the front said it had taken steps to recover from the damage in the revolutionary movement by "explaining problems to the masses" and compensating relatives of those who died because of infiltration.

The front said military intelligence units drafted a plan as early as 1981 which the rebels said was "the single biggest spy operation against the revolutionary movement."

The plan, called Task Force Anaconda, involved planting hundreds of "deep penetration agents" in Mindanao and engineering mass surrenders of the New People's Army, the com-

munist's armed wing, by the end of 1985 or early 1986.

"By the end of the year . . . a series of big NPA offensives scheduled for January 1985 resulted in one defeat after another as the DPAs that had been planted were able to alert the military about these plans," according to the magazine.

It added that a military agent successfully penetrated the party's executive committee and "instigated the arrest, torture, trial and execution of several cadres and activists in the guise of riddling the area of DPAs."

"The torture and deaths of scores of comrades . . . were meant to cause massive demoralization among the revolutionary forces and destroy the masses' faith in the movement," it said.

The front did not say how many lives were lost because of the military's operation.

In recent months, the military has unearthed what it claimed were mass graves of

communist rebels or followers killed by fellow comrades because of suspicions that they were military informers.

In Davao City alone, a former rebel stronghold, a military commander said it had recovered more than 90 bodies.

Lt. Col. Franco Calida, Davao City constabulary commander, claims that rebel purges drove many guerrillas to surrender for fear of execution by their comrades.

The front said those who surrendered were the military's spies.

Calida provided them with arms to join his controversial anti-communist vigilante group, which was credited for curbing violence in Davao, the country's third largest city. Various vigilante groups have also sprouted in other parts of Mindanao.

A military intelligence officer, speaking on condition of anonymity, admitted that the military had launched a spy operation but blamed the killings largely on the rebels' excesses.

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CSO: 4200/619

7.4 MILLION PESOS RAISED FOR REBEL AMNESTY PROGRAM

Quezon City VERITAS in English 7-13 May 87 p 7

[Editorial: "... And Some Good News"]

[Text]

AS THE campaign for Congress reaches the homestretch, some items of news tend to fall between the cracks. Our girl in Malacanang has for the past weeks complained of a general malaise in the Executive Office. "Nothing's happening," she said, "everyone's attention seems to be focused on the elections."
And the media are as guilty as those in government.

Last week, it was revealed that the government, through the Department of Budget and Management, had released P7.4 million for the rebel-returnees program. An additional P152.6 million awaits but the President's signature, the amount meant to fuel the "full implementation" of the National Reconciliation Development Program.

This is good news. But in a season of campaign rhetoric, the good news gets swamped. The story on the outlays did not see print.

The release of new money demonstrates just how serious the present dispensation considers the problem of rebel rehabilitation.

In recent weeks, the President has spoken quite firmly about the need to go after the rebels with intensified vigor. So belligerent have her public pronouncements been that not a few observers have noted with alarm the seeming growing influence of "war mongers" in government.

The rebel returnee program is the flip side of this war-like pose. And it does prove that government has not turned a deaf ear to those who declare that the rebellion cannot be crushed by arms alone, but by a comprehensive program that assures rebels a future if they only put down their arms and renounce violence.

We call it as we see it. This is one piece of good news that deserves more airing.

/13104

CSO: 4200/628

ART EVENTS REFLECT POLITICS, RIGHTS, WAR THEMES, CUBAN TIES

Delegation To Cuba UNESCO Event

Manila THE MANILA TIMES in English 30 May 87 p 2

[Text]

PEN President Dr. Alejandro Roces is heading a Philippine delegation of artists to the 22nd Congress of the Unesco-International Theater Institute (ITI) in Cuba on June 1 to June 6, Vice President Salvador Laurel and concurrent Unesco Philippines chairman, said.

The Philippine ITI Center encompassing national representation from music theater, dance theater, youth theater, ethnic-tribal theater, broadcast theater, professional theater, educational theater, religious theater, folk theater, community theater, native dramaturgy, scenography, theater criticism is hosted by the PETA Secretariat since its founding in 1967 and is currently assisted by National People's Council for Culture, Education and Development (NPCCED), Ninoy Aquino Movement Program for Social and Economic Reconstruction in Volunteer Efforts (NAMSERVE) and the Development Institute of Artistic Leadership in Education, Culture and Communications Technology

(DIALECT).

Roces, chairman of the Philippine ITI National Coordinating Council, is joined by PETA founder Cecile Guidote Alvarez, serving as co-chairperson. She is former ITI Third World Secretary and Ramon Magsaysay Outstanding Asian Awardee. Roces and Alvarez are scheduled speakers on theater for "National Identity and Development." Other members of the delegation are Award-winning playwright-director Marilou Jacob, a board member of People in Communications (PIC); CCP Executive Assistant for Performing Arts, Marcelino Cavestany Jr., who is also founding director of Cultural Planners Association and Music Theater Foundation; professional stage TV-movie director-actor writer Joel Lamangan, resident artist director of the Ninoy Aquino Park and PETA; Julie Borromeo, choreographer-dancer and founding director of Philippine Ballet Theater; TRICAP President Datu Sibug, Emir Jesus Flores, Youth Coordinator of Agrarian Reform Artistic Repertory.

Cuba Lauds Political Art

Manila THE MANILA TIMES in English 30 May 87 p 9

[Text]

SUSPENDED Voices, Lani Maestro's second solo exhibition at the

CCP, brings to light a new installation/sculptural work that examines the phenomenon of involuntary disappearances in the Philippines.

"Suspended Voices" opens at the CCP Small Gallery on June 12 at 6 p.m. with poetry reading and a rendition of nationalist songs.

According to Amnesty International, a "disappearance" occurs when a person is taken into custody by the authorities who subsequently deny responsibility for the arrest and abduction and then claim ignorance of the victim's fate or whereabouts.

In the Philippines, over 700 cases of such disappearances between 1970 and the first quarter of 1987 have been documented by various human rights groups.

To focus public attention on this issue, Maestro will present an installation piece entitled "Silent Screams, Quiet Pain" of mixed media and non-traditional mate-

rials. The entire work is a subtle yet expressive portrayal of the terror and anguish victims undergo, and the anxiety and helplessness their families and friends endure.

Canada-based Lani Maestro, a 1977 UP College of Fine Arts graduate, studied for five years at the Banff Centre School of Fine Arts in Alberta and the Nova Scotia College of Art and Design in Halifax, Nova Scotia. She has exhibited widely across Canada and participated in group shows in the Philippines, in other ASEAN countries, and Japan.

Maestro's works have increasingly gravitated towards installations and site sculpture that directly address themselves to urgent political and social concerns. She was recently awarded one of the ten major prizes at the prestigious Segunda Bienal de la Habana for her entry entitled "*En las Oscuras Profundidades*" (In the Dark Depths), which, according to the

Cuban paper *Granma*, "evoked the terror of torture with parsimony and without sentimentalism."

The Cuban biennial drew 2,451 entries by 690 artists from 59 Third World countries.

New York art critic Lucy Lippard singled out Maestro's entry as "one of the high points of the Bienal"; activist Eva Cockroft cited it in *Art in America* magazine as a "very understated work" that represented an outstanding example of politically engaged art from the Third World.

On June 13, 2:30 p.m. at the main gallery, the artist will give a lecture-slide presentation on various aspects of her artistic endeavor in Canada during the past five years. An open forum on the nature and function of political art will follow. Leading artists and writers have been invited to participate.

The exhibit ends July 5.

Cultural Center Artist's 'Images of War'

Manila THE MANILA TIMES in English 27 May 87 p 9

[Text]

DAGWAY sa Inaway, , an exhibition of new works by Bacolod-based Norberto Roldan, will be on view at Hiraya Gallery starting Tuesday, June 2.

Meaning, "images of war" in Ilonggo, the show visually details Roldan's personal account of war raging in our midst today.

A year ago, despite fresh hopes for lasting peace, the military conducted intensive counter-insurgency maneuvers in the outlying barrios of Sipalay town south of Bacolod City. In total disregard of civilians, heavy mortar shelling and indiscriminate burning of houses left unimaginable damage to the already depressed farming communities and rendered over 3,000 persons homeless.

In the company of civic and

medical aid missions, Roldan saw the brutal realities of war. After the explosions, he joined the very families which, having been caught in the crossfire, were returning to where their homes once stood. Together, they scoured the ravaged land for the remnants of their modest possessions.

For his part, Roldan collected a scavenger's cache of enameled tin bowls, broken farm implements, empty bullet and mortar shells, and such other debris. Back in Bacolod, he pieced these together to come up with a sharply disturbing series of handmade paper collages and wood constructions.

Painfully raw and concrete, the works graphically trace the pat-

terns of suffering and strife that bear upon our lives to this very day.

Active in Negros' cultural affairs, Roldan is executive director and founding trustee of the pioneering Arts Institute of Negros, visual arts coordinator of the CCP-Arts Council of Bacolod, and secretary-general of the Negros Cultural Coalition, among others.

At present, he is a graphic designer, as well as editor and creative director of the official publications of both the Black Artists of Asia and the Concerned Artists of the Philippines, Negros chapter.

Roldan has held five solo exhibitions and has been represented extensively in major group shows here and abroad.

The exhibit closes June 30.

BANKS SUSPEND AGRICULTURAL LOANS OVER REFORM UNCERTAINTIES

Manila THE MANILA TIMES in English 31 May 87 pp 1, 6

[Article by Zac Sarian]

[Text]

FIVE big commercial banks of the country have suspended releases of their agricultural loans in reaction to the uncertain policies on land reform contained in an executive order set to be signed soon by President Aquino.

This means the freezing of an estimated P5 billion in loans and it could mean crippling of many vital agricultural projects, such as prawn production, coffee, cacao, sugar and nontraditional export products.

The five banks are BPI Agribank, United Coconut Planters Bank, Philippine Commercial International Bank, Metro Bank and Allied Bank.

A top official of one of the banks, who requested anonymity, revealed that senior officers of BPI Agribank, including top lawyers of the company, spent all of Friday discussing the implications of the executive order on land reform. They decided then and there to stop

releasing any agricultural loan.

The members of the Bankers Association of the Philippines (BAP) are also reported to have set an emergency meeting on Tuesday to discuss too the implications of the executive order on land reform.

What the bankers are wary about is the inclusion in the land reform edict of well managed large scale projects, such as prawn ponds, coffee plantations and others being efficiently managed as individual or corporate entities.

The breaking up of these projects into small units could result in production inefficiency, the bank official said. The divided units could end up with owners who may not be technically prepared to handle high-risk projects, such as prawn productions, he said.

Prawn ponds involve big capital

investments and it would be dangerous to hand them to unqualified entrepreneurs, he said. One hectare of prawn ponds could involve more than P1 million in investments, he said.

Among those badly affected by the freezing of agricultural loans are ongoing projects.

For instance, a borrower from Batangas, who had started a P2 million prawn project, could not get the second release of P1 million the other day from BPI Agribank, because of the bank's decision to freeze agricultural loans.

With the freezing of the second release, the borrower would not be able to get their project on stream because of the lack of operating capital to buy prawn fry and other inputs.

This would complicate the woes of the lending banks because when the projects fail, they would not be able to repossess the mortgaged property.

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CSO: 4200/619

FARMERS WORRY OVER ECOLOGICAL 'HAVOC' IN NEGROS

Manila THE MANILA TIMES in English 30 May 87 pp 1, 6

[Article by Zac Sarian: "Greater Disaster Lurks in Negros?"]

[Text]

THE tragedy that struck Negros Occidental the past few years is well known all over the world. The malnutrition among its many poor has been played up, perhaps sensationalized, in the world's print and electronic media.

Response to help Negros has not been wanting. International donors as well as local philanthropists have responded in cash and kind as well as in services to help ease the hunger and the pain.

Some blamed too much dependence on just one crop, sugar, in the past as the main cause of the Negros tragedy. When the sugar industry collapsed because of erratic world prices, the sugar barons lost their incomes and so went the livelihood of the *sacadas* and their dependents.

Crop diversification has been tagged as the means to save Negros. Nobody seems to quarrel about that. Ramie, mongo, coffee and other crops are being grown in increasing areas to take the place of sugarcane.

Along the coastline, excavations in various degrees of completion are changing the landscape of the province. These are the prawn ponds where large sums are invested to produce the crustaceans so much in demand in foreign markets. To date, more than 3,000 hectares of prawn ponds have been carved along the coastal areas of the province. And this is one major reason which is worrying knowl-

edgeable ecologists.

The other worry is the massive denudation of forests by legal as well as illegal loggers. With the lack of work and income from the sugar farms, displaced farm workers and their families have turned to charcoal making. This is done extensively throughout the province.

Dan Hemenway, an American expert in ecology and permanent agriculture, expressed alarm at what is happening in Negros during the recent Agribusiness Kapihan in Quezon City. He had just visited the province and was appalled by the incredible destruction of the forests.

The once luxuriant forests in the South, dubbed the CHIKS area (Candoni, Hinobaan, Isabela, Kabangkalan and Sipalay), are now gone.

The mangrove areas are not only encroached upon by aquaculture investors but also by charcoal makers.

James N. Araneta, a diversified farm operator in Bago City, confirms the massive destruction of forests and says the toll of this indiscretion has started to wreak havoc on the lives of the people.

This year, he tells of the severe drought in the province. Rivers have dried up and potable drinking water has become scarce.

He also remembers a very destructive flood in a recent year which brought down even big logs from the mountains and eroded countless hectares of

once productive farms. One friend had 1,000 hectares ravaged by the destructive flash floods.

Now, how does the building of prawn ponds affect the ecosystem in Negros?

Because there's not enough natural water source to fill the ponds, the investors have resorted to the construction of powerful deepwells. The massive pumping out of underground water will eventually result in the sinking or lowering of the ground level. Another result would be the turning of once fresh water into salty water that would not be suitable for drinking.

What Negros needs, James Araneta feels, is proper planning or intervention by the government which should see to it that aquaculture farms should be constructed only where there's natural source of water to fill the ponds.

What's happening now, according to him, is everybody is building ponds even without considering the source of water.

He cites one friend of his who spent P2.5 million to excavate one area without much planning. When he found out that he could not get any water from a natural source, he had to resort to big deepwells that could eventually contribute to the degradation of the ecosystem.

Even brothers are now quarreling with each other because of water, he observed.

DROUGHT SALINATES, REDUCES ILOILO WATER TABLE

Quezon City WE FORUM in English 29 May 87 p 3

[Text]

ILOILO CITY - The Roxas City water district in Capiz has reported that drinking water in the area has become salty and that the water level has become critical as a result of the long dry spell.

Water district manager Antonio Almalbis said that because of the dry spell, salt water had seeped into dry land and into the water district's reservoirs.

Supply of potable water to city consumers has decreased as a result, he said.

Almalbis said an assistance loan of P44 million from the Local Waterworks Utilities Administration (LWUA) has been approved and that rehabilitation work on the city's water system would be started soon.

He assured city residents of better water service when rehabilitation work is completed.

/13104

CSO: 4200/628

INDUSTRIALIZATION, ECONOMIC STRUCTURE DISCUSSED

Hanoi VIETNAM SOCIAL SCIENCES in English Nos 1, 2, Jul 86 pp 61-76

[Article by Vu Tuan Anh]

[Text]

For a backward agricultural country to advance towards socialism bypassing the stage of capitalist development, like the Socialist Republic of Vietnam, the most important, most decisive task of all the period of transition is none other than socialist industrialization with a view to creating the material — technological basis of socialism, first of all, a powerful, large-scale engineering industry — the backbone of social production as a whole — capable of «place the economy of the country, including agriculture, on a new technical basis, that of modern, large-scale production»(1). Such a general objective and criterion for the process of laying the material-technological foundations for socialism in Vietnam cannot differ from that for any brother socialist country, or any progressive country wishing to build a sovereign economy independent from capitalism and serving the interests of broad masses of the working people. Being fully conscious of the role played by socialist industrialization in the country's historical development, the Communist Party of Vietnam has always followed a consistent policy, regarding industrialization as the central task for the period of transition to socialism. This has been clearly reflected in major Party documents, especially in those of the Party's Third (1960), Fourth (1976) and Fifth (1982) National Congresses. At the Fifth Congress, for instance, the task of «stepping up socialist industrialization, building the material — technological foundations of socialism, and taking our country's economy from small production to socialist large-scale production» was given first place in the line of building a socialist economy. (2)

The process of industrialization, as is known universally, is inseparable from the modification of the economic structure. For one thing, industrialization means not simply a radical change of the economy's technological foundation, but also a bold modification of the proportions representing the social division of labour therein. On the other hand, the accelerated social division of labour through the transformation of the economic structure and

establishment of a rational one, in their turn, create the necessary premises for socialist industrialization. In countries with an underdeveloped economy like Vietnam, this inter-action between the process of industrialization and that of modifying the economic structure differs from what happens in countries advancing towards socialism after having undergone the stage of capitalist development. Here, besides space-related factors, such as differences in natural, territorial and social conditions, there are also obviously time-related factors. The requirements, in contents and standards, of today's industrialization differ from those of last century's, or of the first half of this century's. Besides, the very conditions in which is taking place the process of industrialization in Vietnam, and in many other developing countries, are characterized differently from those in which the Soviet Union or European socialist countries carried out their socialist industrialization.

I. VIETNAM'S STARTING-POINT

Such specific conditions define the concrete manifestations of the common laws on socialist industrialization and on modification of the economic structure in Vietnam at present.

The period of transition to socialism in Vietnam, as is known, has fundamental differences from that in brother European socialist countries. The biggest difference lies in the fact that the Socialist Republic of Vietnam — with a primarily small production economy, plus several decades of destruction and damage caused by war, colonialism and neo-colonialism — is advancing towards socialism bypassing the stage of capitalist development. This specific starting-point of the development process is clearly reflected, first of all, in certain general targets showing the level of economic development, as well as in the macro-structure of the national economy. As we know, during the first stages of the period of transition to socialism, the per-capita national income (1950; in roubles) in Bulgaria was 143.0, Rumania: 206.9, Poland: 322.6, German Democratic Republic: 383.4, Hungary: 416.9, Czechoslovakia: 474.7 (3); whereas in Vietnam the figure is now only around 100. The most striking feature of Vietnam's economy is the predominantly agricultural character of its branch-structure. In 1984, agriculture — forestry produced 43.2% of the GNP and 57.0% of the national income, and covered 71.2% of the country's population and 71.8% of its total labour force. Meanwhile, industry — after a persistent process of construction and of overcoming war consequences (4) — remains small, making up a light proportion in the economic structure, but having nevertheless to assume a heavy responsibility in meeting the needs of everyday life and national defence. (See Chart N_o 1).

Chart N_o 1: Branch structure of the national economy of the Socialist Republic of Vietnam (%)

	1975	1984
National income :	100	100
In which : — Industry and construction	30.2	29.9
— Agriculture, forestry	46.8	57.0
— Commerce	13.5	8.5
Social labour :	100	100
In which : — Material production sector	91.7	93.2
— Industry, construction	15.5	14.3
— Agriculture, forestry	67.8	71.8
— Commerce, materials supply	5.6	5.0
— Transport, posts	2.1	1.9
— Non-material production sector	8.3	6.8

(Source: *Statistics of the Socialist Republic of Vietnam*, 1978, pp. 15 — 17; 1984, pp. 19 — 38)

In the existing industrial structure itself, light industries and local, small industries still play a significant role. Group B accounted for 65.5%, and local industries made up 63.2% of the total value of industrial products in 1984 (5). Of heavy industries, engineering and chemical industries represent rather high proportions, yet their existing capacities can meet but a small part of the increasing needs of the economy, not only in new equipment and in production-means repairing, but also in consumer goods; and they are still unable to act as pioneers in the application of scientific-technological advances to the entire economy.

Chart No 2: Structure of the total value of industrial output. (%)

	1975	1984
Total :	100	100
— Energy, fuel	5.2	6.0
— Metallurgy	1.7	1.4
— Engineering	11.9	14.1
— Chemicals	9.2	9.6
— Building materials, ceramics, porcelain, glassware, timber, forest products, cellulose and paper	17.2	21.2
— Food and foodstuffs	36.6	27.3
— Textiles, leatherware, clothes, dyeing	14.1	16.1
— Printing and cultural goods	2.0	0.4
— Other industries	2.1	3.9

(Source: *Statistics of the Socialist Republic of Vietnam*, 1978, p. 31; 1984, p. 41)

Despite the significant number of production units belonging to important branches of industry, for a medium-size country with some 60 million inhabitants, the existing industrial output remains tiny, compared with the requirements of production and of everyday life. This is plainly reflected in the per-capita output of certain major industries. To have a clearer image of Vietnam's place in international standards, we are going to give corresponding data from member countries of the Council of Mutual Economic Assistance (CMEA) with originally underdeveloped economies, such as Bulgaria and Rumania, for the early years of the period of transition to socialism, and also from Cuba and Mongolia recently, the latter two being, like Vietnam, among the economically least developed member countries of CMEA. (See Chart No 3)

Chart No 3: *Per-capita output of major industries.*

	Vietnam 1984	Bulgaria 1948	Rumania 1950	Cuba 1981	Mongolia 1981
Electricity (kwh)	83	77	130	1.088	915
Coal (kg)	83	598	130	—	234
Steel (kg)	0.9	0.7	34	33.9	28
Cement (kg)	22.1	53	63	338	12
Paper (kg)	1.1	3.1	5.3	7.9	1.9
Silk and fabric (m ²)	6.2	8.2	9.1	17.1	13.0
Sugar (kg)	6.5	8.5	5.3	751.0	8.3

(Source: *Statistics of the Socialist Republic of Vietnam*. 1984, Hanoi, p.45).

Due to natural conditions, historical factors and the underdevelopment of the economy, the productive forces are allocated unevenly among the various regions of the country. Populous coastal plains have a more developed industrial and agricultural production, and more transport and communications facilities; while scarcely populated mountain areas with great natural resources are yet to be developed. In the North, following decades of building the material-technological basis of socialism, the structure of a sovereign economy has started coming into existence yet heavily damaged by the war, whereas in the South, due to neo-colonialist influence, economic development has depended heavily on the world capitalist economic system.

To turn such an underdeveloped, primarily, small production economy, with so many imbalances, into an industrialized economy, with economic branches developing on a new, advanced technological basis, it is essential to have a harmonious renovation in all fields, and, first and foremost, a large-scale engineering industry. For countries like Vietnam, this represents a complex and long process. However, Vietnam does have certain assets.

First, Vietnam is a medium-size country with a large manpower resource, the scale of which is big enough to broaden social division of labour in many diversified with a great variety of products: With some 60 million consumers,

the domestic market is rather large in scale, which allows the development of different specialized productions in an optimum scope. Besides, natural potentials are varied, certain with rather abundant reserves compared with many other countries. The land and the climate permit the development of a tropical agriculture with highly economic crop strains and animal breeds; prospects for the development of fishery and forestry are also remarkable. The energy potentials, capable of serving a developed economy, and many minerals with significant reserves (bauxite, apatite, tin, rare earth, chromite, limestone, kaolin, crystal-sand, graphite, mineral water, etc.) constitute important premises for the development of a multi-branched, large-scale industry that meets many of the requirements of the home and world markets, and creates favourable conditions for the country to take part in international division of labour, first of all in the framework of the community of socialist countries.

Another fundamental asset for the industrialization in Vietnam lies in the great and all-round assistance from brother socialist countries, first of all the Soviet Union. It is this important factor that helps an economically underdeveloped country like Vietnam to get an important part of the initial accumulation necessary to socialist industrialization, to make leaps and bounds in the application of new achievements in scientific-technological progress, to choose a highly effective way of structuring the national economy in the conditions of socialist international economic integration, and, with all this, to alleviate the «labours» of the process of building a modern material-technological basis of socialism.

II. CERTAIN ISSUES RELATED TO STRUCTURING THE NATIONAL ECONOMY.

Proceeding from the concrete natural, economic and social conditions of Vietnam, it is possible to imagine a «sketch» of its national economy by the end of the period of transition to socialism, that is, to imagine the target of its socialist industrialization. That would be a rather developed economy, with a highly effective, multi-branched structure, capable of satisfying the most essential and universal needs at home, while taking an active part in international division of labour in order to bring into play the specific «superiorities» of the country and to make full use of the values brought by external factors. That unified national economic combine may include many combines of major economic branches, for instance an agro-industrial combine, a combine for the exploitation and processing of energy-bearing substances (oil, gas, coal, hydropower, etc.), a combine for ferrous and non-ferrous metallurgy and metal processing, a combine for the cultivation, exploitation and processing of forest or maritime resources, etc. Along with key branches of production — heavy industries — the branch structure should naturally include branches belonging to the infra-structure of production and developed to a corresponding level, and other branches that help ensure the harmony and balance of the process of extended reproduction in a country the size of

which is not small (for instance construction, production of common consumer goods, etc.).

However, to build a national economy with a modern technological basis and a comprehensive branch structure is, as has been said, a long process going through the entire period of transition to socialism and even beyond. Vietnam is now at the initial phase of this process. «Every beginning is difficult», obviously. But, the way a beginning is made determines much of what follows. Therefore, the selection of an appropriate industrialization policy, which is at the same time the selection of a rational policy on structuring the national economy, constitutes one of the primordial, burning tasks posed to Vietnam at present.

At the present stage, the complexity of the selection of a rational structure policy resides in the immediate contradictions between the need to develop the economy harmoniously and the limited capital which can satisfy only a number of focal points; and between the urgent need to solve problems of food, clothing, housing and employment for a large and fast growing population and the task of ensuring accumulation for the building of the material-technological basis of socialism. Having taken these contradictions into consideration, the Fourth and Fifth National Congresses of the Communist Party of Vietnam mapped out the development orientation for the period of transition as follows: «To give priority to the rational development of heavy industry on the basis of developing agriculture and light industry, to make industry and agriculture closely combine with each other into a unified entity, develop harmoniously towards socialist large-scale production, always attached to each other and promote each other; with industry serving as the main foundation of the national economy and playing the leading role in the economy». (6) For the 1980's, this line stipulates concretely: «To concentrate on a vigorous development of agriculture, to regard it as a priority; to take it a step further to socialist large-scale production, to strive to boost consumer goods production and to carry on the building of a number of important branches of heavy industry; to combine agriculture, consumer goods industry and heavy industry in a rational agro-industrial structure». (7) Such a structure policy is based first of all on the orientation for solving the following major problems:

The first and foremost problem of the industrialization period is to *bring into play the existing potentials to create initial accumulations for industrialization*. For a medium-size country like Vietnam, in the present conditions, the main source of accumulation resides in its diversified natural resources and its abundant labour resources. In view of the task of fully exploiting these potentials, combined with making full use of the possible gains through participation in international division of labour, priority should be given to the development of agriculture, in order not only to satisfy the country's own minimum needs in food and agricultural raw materials, but also to provide friendly countries with specialities of tropical agriculture, such as rubber, coffee, tea, fruits and vegetables, soya-bean, etc, in exchange for materials essential to industrialization (machines, equipment, materials,

etc.). Parallel to the development of agriculture as the «forefront of production», stress should also be laid, during the first stage of industrialization in Vietnam, on the role of exploitation industries. With agriculture, forestry, and fishery exploitation industries make up an exploitation complex, the powerful development of which would permit the rapid mobilization of natural potentials to create the initial accumulations for industrialization. Here enters into action an objective law, namely: before being able to conquer nature at a higher level thanks to the technique of developed processing industries, one should «collect» from nature readily available gifts to create the initial capital necessary to the building of such industries.

In Vietnam, according to results of surveys made so far, it is possible to develop exploitation industries on a rather large scale, for instance, oil and gas, bauxite, tin, apatite, rare earth, coal, timber, etc. These industries on the one hand provide domestically available fuel and raw materials, thus helping to overcome the now serious imbalance between supply and demand regarding these products; on the other hand, and no less important, they provide a significant volume of export goods, thus helping to increase the country's export capacity and create conditions for the import of machines, equipments and materials necessary to socialist industrialization.

A contradiction does appear in practice. The development of exploitation branches requires no small investments in the form of products of a big industry: land reclaiming machines, chemical fertilizers and plant protection chemicals for agriculture; exploiting, semi-processing and transport machines for forestry; high-capacity exploiting equipment for the mining industry; and fuel, transport facilities and essential consumer goods for all of these branches. The above-mentioned products, mostly from heavy industry, have either not been produced in Vietnam as yet, or only in small quantities and on a tiny scale. It is, therefore, necessary to make full use of a major asset available to Vietnam, and other economically underdeveloped countries, namely the equal, mutually beneficial economic cooperation with the powerful community of socialist countries. By taking an active part in the socialist international division of labour, with particular attention attached to the various forms of joint enterprises with investments reimbursable through products, Vietnam can develop vigorously such exploitation branches as may supply goods that interest brother countries, in exchange for products essential to the overall development of exploitation and processing industries.

Industrial development at the stage ahead in Vietnam, as clearly defined in the documents of the Fourth and Fifth Congresses of the Communist Party of Vietnam, should be closely combined with the tempo of agricultural development, and should promote it. This is based on the fact that, for agriculture to function as the basis for industrial development, it needs a material impact, and related branches of the economy should ensure to it the greatest direct service possible. Thus, the process of industrialization in Vietnam should start with the vigorous development of industries directly related to agricultural production. Of the two groups of industries directly related to

agriculture, priority should now be given to the development of certain « pre-agriculture industries », such as those for the production of simple and improved working utensils, small machines chemical fertilizers, lime for the transformation of soil, insecticides, spare parts and repair service for farming machines, water conservancy equipment, etc, since these industries may help boost agricultural development directly and immediately. As regards « post-agriculture industries », i.e. industries processing agricultural products, for the time being, their existing capacity is to be brought into full play, and any expansion in terms of new construction with modern equipment could be made only on the basis of a stable source of raw materials and an indispensable demand for processing. At present, such cases of new construction are mainly related to export. The farm-products-processing industries will be developed rapidly when the surplus farm products become abundant. As it could be said, to build an agro-industrial combine that suits the present general development level of the economy is one of the key tasks to ensure the balance of the economy in Vietnam at the stage ahead.

Another major problem to be solved in the structure policy consists in *the rational re-division of labour and the complete use of social labour*. It is a general principle of socialism to guarantee the right to work as a fundamental human right. In Vietnam, an urgent task, which greatly affects economic development, remains to continue overcoming the consequences of the imperialist aggression in the fields of population, labour and social affairs, to regulate demographic increase, and to carry out a re-division of social labour, branch-wise and territory-wise.

In many developing countries, the relative over-population, unemployment, shortage of skilled labour, and limited investment sources have resulted in a structure policy that gives priority to labour-consuming small industries and handicrafts, or modern products assembly industries requiring a high volume of labour but only simple performances, and heavily dependent on foreign capital. As has been shown by reality, such a structure policy does not help to overcome substantially the economic backwardness and to improve gradually the working people's living conditions. On the other hand, a priority development of heavy industry, pure and simple, does not bring about good results, either, especially in the field of labour, since heavy industries require a high investment volume but a low labour volume. That is why, the structure policy for the industrialization period should help to solve appropriately the problems of combining rationally heavy industries with light industries, combining modern industries with traditional industries, combining different production scopes and different technological levels, and developing export-oriented processing industries, in order to create a large number of stable and effective job-opportunities.

Besides, in the industrialization process, the planning work should pay attention to coordinating the liberation of manpower from agricultural branches and the corresponding admission of that manpower into non agricultural branches, in the first place into industry. In Vietnam, for some time to come, not only more job-opportunities are to be created in non-agri-

cultural fields, but there also remain large possibilities for the extensive development of agriculture and forestry. The labour division structure, therefore, will not as yet evolve in the direction of the long-term law, namely the proportional decrease of agriculture and increase of industry in social labour. The process of improving labour productivity in agriculture cannot be realized separately from the process of improving the total agricultural product. It may be asserted that in Vietnam, for the immediate future, the mechanization of agriculture is to be done on a selective basis, while water conservancy, chemicalization and other applications of scientific-technical advances, for the increase of productivity on a given area of cultivated land and a given number of domestic animal heads, are to be further popularized.

To ensure the necessary harmonious internal proportions in the process of advancing from simple reproduction to extended reproduction also constitutes a major issue in the structure policy. In the economy of Vietnam at present, there remain imbalances between supply and demand in energy and many kinds of materials and raw materials, between intermediate and final products, between production capacity and production-serving infrastructure. This reflects the past process of development in disrespect for the proportions and the order of reproduction. For instance, due to an overeagerness in final products, processing industries have developed at a quick pace while iron and steel production at home was marking time, food processing capacity has been broadened while the volume of farm commodities remained unchanged, etc.

For a medium-size country like Vietnam, it is necessary and economically effective to have a synchronous, comprehensive production circuit for various kinds of essential and common goods, since the size of the home market permits production on an optimum scale. Besides, from the geopolitical conditions and international and regional relations results the need to build rather comprehensively certain production branches, especially those providing products in big volumes, the transport of which is difficult and expensive. The building of production combines, assuring all phases from raw material exploitation, processing, transport to supply of products to consumers, is also a process. In conditions of a close international economic integration, and depending on the urgency of the demand in the process of reproduction, it is sometimes possible to start building a combine from a concluding phase (e.g. engineering industries for final products), while raw materials and semi-products (iron, steel, spare parts, details, etc), produce of prior phases, are imported from abroad. Naturally, the scope of development of such combines depends largely on the consumption-character of the products: if they are simply for domestic consumption while the capital for import is limited, this can be done only on a limited scope. In general, the stable way of development, which ensures the harmony of reproduction in an originally underdeveloped economy, remains that of orderly development, namely: to exploit materials and raw materials, to exchange part of these for machines and processing equipment, and to process part of, then finally all, the products. The building of new industrial projects in the indus-

trialization process requires calculations for balances between many aspects. For the effectiveness of industrialization is closely linked to the balance, harmony and synchronism of the process of extended reproduction.

In short, while examining the above-mentioned major relationships of the economy at the initial stages of socialist industrialization, it should be noted that *for a vigorous and comprehensive industrialization in economically underdeveloped countries like Vietnam, a series of premises are indispensable.* These include, first, necessary minimum food reserves in the hands of the State as the foundation for an initial re-division of social labour. Then, the supply of essential consumer goods sufficient to ensure the reproduction of the social labour force; the creation of a basis for energy and raw materials supplies and an infra-structure corresponding to the existing productive capacity; and the creation of an ever greater initial accumulation for industrialization. Therefore, parallel to agro-industrial combines as the first focal point of the economy, it is also necessary to step up consumer goods production, develop and perfect the infra-structure, consolidate energy units, and develop exploitation industries. By concentrating efforts on the afore-said branches, the country's export capacity will increase radically, helping thereby to balance payments for the import of means of production for industrialization, the energy-raw material basis for a diversified industry will be created, and elements of an infra-structure essential to a leaps-and-bounds development of industry will be built.

The development of production over the last decade in Vietnam testifies to the correctness of the policy on economic structure laid down by the Communist Party of Vietnam at its Fourth and Fifth Congresses. Measures for the transformation of the production structure, first of all the allocation of State funds for investments in capital construction, have been strongly oriented towards the above-mentioned key branches (See Chart No 4).

Chart No 4: *Structure and increase rates of State capital investments in branches of the national economy (%)*.

	Increase rates :		Allocation		
	(1976=100) :		Structure		
	1980	1984	1976	1980	1984
Total :	124.8	202.2	100	100	100
- Material production sector	130.7	198.4	86.1	90.3	84.5
+ Industry, construction	154.3	207.8	37.3	46.1	38.3
+ Agriculture, forestry	121.7	242.1	22.3	21.8	26.7
+ Transport, posts	118.7	149.9	21.8	20.8	16.2
+ Commerce, materials supply	42.9	133.4	4.5	1.5	3.0
- Non material production sector	86.9	225.5	13.9	9.7	15.5

(Source : *Statistics of the Socialist Republic of Vietnam 1930 - 1984*. Op. cit. p. 76).

In the 1976 — 1984 period, capital investments for agriculture increased constantly and made up a significant percentage. Although that big amount of capital was still far from meeting the requirements of agricultural development, it nevertheless helped greatly to solve initially the problem of assuring the country's needs in food and raw materials. In 1984, food production reached 17.8 million tonnes (compared with 11.6 million tonnes in 1975). Many regions specialized in industrial crops came into being. Compared with 1976, in 1985 the area under jute increased 2 fold; soya-bean: 3.5 times; ground nuts: 2.8 times; sugar canes: 2 fold; tobacco: 2.3 times; tea: 1.5 times; coffee: 3.7 times; rubber: 2.1 times; coco-palms: 3 times, etc. Animal husbandry also developed. The herd of oxen and cows increased from 1.6 million heads in 1976 to 2.5 million heads in 1985. In the same period, the number of pigs increased from 9.2 million to 13 million.

Industry attracted the biggest volume of capital investments, since it was in industry that a series of major projects were started or put into operation. Most of these investments were for the energy, engineering, chemical and building-materials industries. It is in these industries that pivotal, large-scale projects have been built, which will help modify the structure of the national economy. We may cite, for the energy-fuel industry, the Pha Lai thermo-power plant, the Hoa Binh and Tri An hydro-power plants, and the Cao Son, Mong Duong and Vang Danh coal mines. For the engineering industry, existing capacities have been improved, while new factories have been built for the production of spare parts, diesel motors, tools, and for the repair of motor cars, tractors and ships, etc. For the petroleum and chemical industries, efforts have been made in the surveys, exploration and initial exploitation of oil and gas on our Southern continental shelf, the extended exploitation of apatite in Lao Cai, the expansion of the Lam Thao chemical complex, and the increase of phosphate production in different parts of the country. In the building materials industry, the Bim Son, Hoang Thach and Ha Tien cement plants have been built, or expanded.

Transport and communication in particular, and infra-structure in general, have long been a «weakness» of Vietnam's economy. Recently, investments have been made in this field for the maintenance of the existing capacity and the building of new, significant projects (e.g. restoration of the trans-Vietnam «Unity» railway, building of bridges across the Red River or along the trans-Vietnam Highway No 1A, construction of many roads); but so far, the transport capacity remains far behind the demand of the economy.

The implementation of the structure policy by means of capital investment allocation, as mentioned above, has helped increase remarkably the productive capacity of certain major branches (see Chart No 5). The very list of these new productive capacities shows that they have helped to modify positively and powerfully the economic structure at present, and to create the material premises necessary to the overall industrialization of the country.

Chart No 5: Increase of New Productive Capacities

	Period 1976 — 1980	Period 1981 — 1984
<i>Industry:</i>		
Electricity (thousand kw)	116.0	316.8
Unprocessed coal (thousand tonnes/year)	4312.0	1045.0
Cement (thousand tonnes/year)	573.0	234.2
Textiles (million metres/year)	56.0	28.2
Paper (thousand tonnes/year)	28.9	55.0
<i>Agriculture, Forestry</i>		
Area irrigated (thousand hectares)	608.3	198.1
Area drained (thousand hectares)	708.6	196.0
New afforestation projects (thousand hectares)	580.4	318.4
<i>Transport</i>		
Railway newly built (km)	136.6	102
Road newly built (km)	1482	2007

(Source: *Statistics of the Socialist Republic of Vietnam 1980 — 1984*, op. cit. p. 78).

On the other hand, one cannot fail to notice that over the past time, there have been shortcomings in the implementation of the structure policy through capital investment allocation.

First, the relationships between the objective of creating the premises for vigorous industrialization and the stepping up of industrialization itself at the initial stage have not been clearly defined. The simultaneous building of many major industrial projects have absorbed most of the investments for capital construction, while premises in terms of food, energy, raw materials, finance, infra-structure, reproduction of the labour force, etc. are still insufficient. This has strained the economic life and aggravated the existing imbalances in the economy.

Secondly, investments are scattered; there have been neither focal points, branch-wise and territory-wise, alike, nor any priority regarding the order of execution. This has resulted in a large number of half-accomplished projects, a prolonged period of construction, and a low efficiency of the invested capital.

Thirdly, there has been no clear-cut approach on the proportion to be chosen between quick-effect projects and long-term effect ones. That is why, despite the huge amount of capital invested during the past time, its impact on instant changes in the economy structure has been negligible, and its role in the increase of the accumulation capacity of the economy insignificant.

Fourthly, there has been no harmony among the different phases, from raw material exploitation, re-creation and processing, to products marketing and environment protection etc. In the calculations and argumentations for many projects, attention is usually given to the main projects and main products alone, while supporting projects, supplementary elements and secondary products are neglected.

Fifthly, in the capital investment structure, an adequate proportion has not been given to intensive investment aimed at developing totally the existing productive capacities. That is why, little has been achieved in raising the still very low utilization coefficient of the productive capacity in the economy. Especially, the present investment policy has not given due attention to small industries and handicrafts, which are producing over half of the volume of consumer goods; hence, their great potentialities have not been stimulated.

In defining the development orientations for the 1986—1990 five-year plan, all the above-mentioned shortcomings have been analyzed, and necessary lessons drawn. To make better use of State capital investments with a view to the creation of sufficient premises for vigorous industrialization in the 1990's and the gradual establishment of a rational structure of the socialist national economy, the orientations for capital investments are expected to be as follows:

a) To continue focussing on boosting agriculture, forestry and fishery along with building accordingly processing industries to meet, on a stable basis, the needs of the society in food and foodstuffs and to create big sources for export.

b) To ensure building paces for nation-wide key projects, e.g. in electricity, coal, oil and gas, fertilizers, engineering, metallurgy, building materials, food processing and consumer goods.

c) To invest on a selected basis in transport, communications and postal services, especially international relations, North-South lines, and lines linking major economic regions or serving national defence.

d) To reserve adequate investments for continued expansion of consumer goods production.

e) To reserve part of the investments to continue satisfying the demand in housing and other matters concerning the people's material and spiritual life.

The perfection of the investment structure, combined with the improvement of the economic management mechanism — tasks already understood as of particular importance at the present stage — would certainly bring about a positive result, helping to increase the effectiveness of the modification of the structure of the national economy and to accelerate the process of the country's industrialization.

1. V.I. Lenin, *Collected Works*, Vol. 31, Moscow, Progress Publishers, 1966, p. 516.
2. See *The Communist Party of Vietnam, Fifth National Congress, Political Report*, Hanoi, Foreign Languages Publishing House, 1982, p. 36.
3. Year book on member countries of CMEA 1970, Moscow, pp. 7, 43. (Russian edition).
4. See *35 năm kinh tế Việt Nam (1945-1980)* (Thirty Five Years of Vietnam's Economy (1945-1980)), Hanoi, Social Sciences Publishing House, 1980, pp. 98-108.
5. Statistics of the Socialist Republic of Vietnam 1984, op. cit. pp. 40-41.
6. Resolution of the Fourth National Congress of the Communist Party of Vietnam. *Tập chí học tập* (Study Review) No 12/1976, pp. 29-30.
7. *Communist Party of Vietnam, Fifth National Congress, Political Report*. Op. cit. p. 40.

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LEADERS OF VIETNAMESE WOMEN'S UNION PROFILED

OW212121 Hanoi VNA in English 1540 GMT 21 May 87

[Text] Hanoi, VNA, 21 May--Mrs Nguyen Thi Dinh was re-elected as president of the Vietnam Women's Union at the Sixth VWU Congress held here from 19-20 May.

Nguyen Thi Dinh, 67, is a well-known veteran revolutionary in Vietnam. During the Anti-U.S. war of resistance (1960-1975) she was deputy commander of the Liberation Army (The People's Army in Southern Vietnam) and president of the Giai Phong (liberation) Women's Union. After the war, she was a major general of the Vietnam People's Army. Nguyen Thi Dinh is a member of the Communist Party of Vietnam Central Committee.

Five vice-presidents of the union include Nguyen Thi Than, Truong My Hoa, Ngo Ba Thanh, Hoang Xuan Sinh, and Tran Thi Thanh Thanh.

Mrs Nguyen Thi Than, 50, is a textile engineer. She was once director of the 8 March Textile Mill in Hanoi, one of the biggest mills of Vietnam's textile industry. She is member of the Secretariat and head of the Control Board of the Vietnam Federation of Trade Unions. She is a member of the CPV Central Committee.

Mrs Truong My Hoa, 42, was an outstanding activist in the patriotic student's movements in South Vietnam during the anti-U.S. war of resistance. She was arrested and imprisoned for many years by the U.S.-Thieu regime. After the liberation of South Vietnam, she was elected member of the Executive Committee of the Ho Chi Minh City Party Committee and secretary of the Party Committee of Tan Binh Precinct. She is not alternate member of the CPV Central Committee.

Mrs Ngo Ba Thanh, 56, is a doctor of law. A well-known activist in the patriotic intellectuals' movement in South Vietnam during the U.S.-Thieu regime, she was time and again arrested by the enemy. After liberation, she has been a deputy to the National Assembly (sixth, seventh and eighth legislatures). She is a member of the National Assembly's Committee of Legislation and Constitution and of the Executive Committee of the Vietnam fatherland front.

Mrs Hoang Xuan Sinh, 54, is a doctor of mathematics. A prestigious scientific worker, she has been elected to the Scientific Council of the Vietnam Institute of Sciences.

Mrs Tran Thi Thanh Thanh, 46, is an associate doctor of educational science who has for many years worked in the youth movement.