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JPRS-SEA-87-037 16 MARCH 1987

# Southeast Asia Report

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### MOUNTAIN AREA DEVELOPMENT UNIT TRADE WORK IN BOLIKHAMSAI

Vientiane KONGTHAP PASASON LAO in Lao 27 Nov 86 pp 2, 4

[Article by K. Khounnousai: "The Trade Network in a Newly Developed Area"]

[Text] The policies and plans of the party and state are directed toward activities which steadily improve the living standard of the people. In order that these plans and policies are implemented correctly and appropriately in every way, Lak 20 District, the district at km marker 20, Khamkeut District and Phathong District of Bolikhamsai Province came up with a new way to advance trade quickly both in quantity and quality.

Before 1984 these three districts said that the state stores did not have what the people wanted to barter for and buy. They had to depend on private merchants with high prices. If they wanted to buy state products they had to travel a day and a night to reach a state store. After the Mountain Development Corporation was given the responsibility by the party and state to improve and enlarge the trade network in this area at the beginning of 1985, it began to achieve results. In the beginning of 1985 the first store was set up in Lak 20 District. The second was set up in Phathong District, and the third was set up in Khamkeut District. Initially the Mountain Development Corporation brought finished products to exchange for the raw materials of whatever sort with the people (the stores bartered). Since this activity expanded briskly and was effective and also received the cooperation of the administration and the broad support of the multi-ethnic people, at the end of 1986 the stores of these three districts started trading with the people in two different ways: on a cash basis and by bartering with goods at reduced prices. The trade cadres and the Mountain Development Corporation provided goods appropriate for the way of life of the multi-ethnic people in this area such as salt, kerosene, blankets, cloth, medicine, farming tools, pots, The goods which the people brought to exchange with the state store etc. included coffee, cardaman, sticklac, benzoin, peanuts, sesame, and strategic goods which are exported. The stores expanded to almost every canton of this business area. Last June the number of stores had expanded to 12, and the number of bartering locations had expanded greatly. In July and August the stores of the three Districts were able to requisition and barter for almost 20 tons of cardamam and dozens of tons of various kinds of agricultural products.

Since the trade network had expanded broadly, the people could purchase and barter for goods conveniently. In addition the industriousness of the people increased steadily. At present the drive to increase the area of cultivation of cardamam and trees for sticklac has expanded broadly. The gathering of forest products has become the primary project and is carried out in vigorous and broad drives in various villages.

Although black market merchants used to make a living controlling the trade in goods of value, since state trade has expanded quickly, now it appears that the practice of buying low and selling high and exploitation have ended. The new life under the mastery of the nation and society has developed commendably, and now it is clear that the living standard of the multi-ethnic people in this area has improved quickly. The expansion of the trade network of the state not only improved the living standard of the people but also fulfilled the obligation of creating capital for the party and state. In the past 2 years the drive to plant commercial timber and fruit trees, etc., has expanded a great deal. These are positive indications that the future for these activities is bright and that the Second 5-Year Plan of the state will be carried out successfully so that the trading activity in these localities more and more become a better, socialist business.

8149/12851 CSO: 4206/48

### SRV, ARMY COOPERATE IN BOLIKHAMSAI ROAD BUILDING

Vientiane PASASON in Lao 27 Dec 86 p 2

[Article by Chakki: "Clearing New Roads in Rural Areas"]

[Excerpts] Because of the importance of communications, a new road in Bolikhamsai District, Bolikhamsai Province, is being cleared by the "Assault Youth" Construction Company No 2. Irrigation Construction Company No 1 in the Ministry of Agriculture, Forestry, Irrigation and Agricultural Co-ops is the primary force consisting of a total of 34 workers, of which 75 percent are [assault youth members]. There are 11 construction vehicles of which 6 are bulldozers, 2 are trucks for hauling, and one each of crane, scraper and backhoe. The road is being cleared by the cooperation of three work sections, [the engineering section] of the National Defense Ministry as project owner, [the engineering section] of the SRV which does the dynamiting and the building of 16 bridges according to the plan, and another section which provides support for these workers, the multiethnic people who live along this road and who have actively participated in clearing the land and have also helped with the food supply and in taking care of the [construction] materials.

The road starts at Pha Meauong and goes to Ban Hat Pan at the foot of Phou Mathao Mountain, 6 meters wide and a total length of 110 km. The clearing of the land began on 2 December of this year. They have been able to haul and fill 19,000 cubic meters of dirt, and they dug 15,000 cubic meters. They have now completed 6 percent of the work involved in the plan.

Prior to this communications were very difficult. Travel was convenient only in the dry season. Because the communications route was very bad, the only traveling was done by oxcart and walking.

The workers and the people are carefully clearing the land so that the new road will be completed according to plan in 1988, which will be the third year of the Second 5-Year Plan.

9884/9190 CSO: 4206/59 LAOS

### VIENTIANE DISTRICT GUERRILLA NETWORK, INFORMERS NOTED

Vientiane KONGTHAP PASASON LAO in Lao 27 Nov 86 p 2

[Article by S. Vongphouthon: "The Guerrilla Units of Chanthabouli District Are Stronger Every Day"]

[Excerpt] "They only wanted to keep the beloved grassy highlands free from enemy incursions, to keep the fatherland in peace, to let the people carry on their lives in peace, and to assure the safety of collective and individual property so that their localities could feel secure in making a living and building progress."

This was the ideal of the soldiers of the guerrilla patrols of Chanthabouli District of the capital, Vientiane. According to a detailed report which the head of the guerrilla service of the headquarters unit of this district gave to reporters: "While carrying out the policy of defending the nation and all the people, the district guerrilla service strove to implement the policy of defending the nation at the level of the production base, and defense committees responsible for every unit and village were set up. This meant that every 10 houses had a responsible defense unit with armed guerrillas as support. In order to make this effective and in order that it have the cooperation of the people, the defense committee at the unit level signed a contract concerning the guaranteeing of damage with the members of every family. This meant that if some disturbances occurred in a family that family would be responsible to the system. The defense committee for a unit organized a 24-hour watch duty for their area of responsibility. There was coordination between echelons; the units coordinated with the villages and the villages coordinated with the cantons. Defense of the border positions was organized by the districts both for daytime and nighttime; defense units of each canton alternated responsibility for border positions each day. The defense forces had a strict inspection system, and each area had the determined and controlling participation of the LPRYU."

After testing for the past 3 months, there were summaries and assessments which showed that various crimes such as cases of trade in contraband, breaking and entering, picking pockets, theft, etc., had clearly been reduced. Since the people doing these things were not able to evade the officials, there was a 30 percent drop in various cases in August as compared with July. And in the cases which did occur, there were no cases where the criminal escaped arrest by officials.

8149/12851 CSO: 4206/48 TANK UNIT TRAINING, DAILY ROUTINE, PARTY MEMBERSHIP DISCUSSED

Vientiane KONGTHAP PASASON LAO in Lao 27 Nov 86 p 3

[Article by S. Vongphouthon: "Worthy of Being a Model Unit"]

[Excerpt] The [0] tank battalion was established in 1976. Initially it was made up of only two types of vehicles. During the past 10 years the "O" tank battalion has been steadily improved and vigorously expanded. It has been completely out-fitted with modern combat vehicles. Its cadres have great technical ability in using the vehicles so that they are prepared to fight and win.

The number of party members has increased four times compared with 1976. Now 29 percent are party members. In addition the party committee and command committee are striving to train the rank and file of the LPRYU to be assault forces. The LPRYU members make up 48 percent of the unit.

### Military Training

Each year there are two periods of study and practice: at the beginning of the year and at the end of the year. In each period after studying theory and principle, there is firing practice. In the study period at the beginning of 1986 the study and practice completed 100 percent of its goal. Of them 66 percent received expert and good ratings. The study and practice by the combat cadres have steadily raised the level of their expertise in all areas.

Combat readiness is the daily duty of the officers and men throughout the battalion. The assignment system is organized on a 24-hour basis every day for every specialty, such as combat vehicles, service vehicles, communications, medics, fuel administration, and supplies. If a situation arose, the unit on duty would be able to carry out its duties immediately.

### Administering the Routine

They strive to carry this out strictly and regularly. Each day after getting up, the officers and men throughout the battalion must exercise, take care of their personal hygene, put their things in order, and fill their containers. At 0700 hours they form in columns for inspection; they inspect clothing, hair, and gear. Then there is a talk giving advice, and the battalion assignments

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are allotted according to plan. After finishing in the evening, those in charge of the companies report their activities to the battalion committee. At dusk at 1900 hours each unit gets together for politics or literature. At 2100 hours they form in columns for inspection and also summarize the activities of the day. Then those in charge of the companies report the rosters to the person in charge of the battalion. At 2130 hours the person in charge of the battalion inspects the rosters for each company.

Each Monday the battalion inspection committee inspects each company. Then there is a summary and the outstanding unit is chosen. They form in columns, salute the flag, and present the lead flag to the model unit. On Thursday at dusk each company falls in to form up the battalion. Saturday is a technical day for the battalion; after working for a week, there is a summary and lessons are drawn; and plans are adopted for the next week. During the weekly summary, the names of outstanding individuals are announced and posted in the information hall of the battalion. At the end of the month there is an assembly of the entire battalion to listen to the summary of activities and to go over the new plans for the next month.

As has been said, Saturday of every week is a technical day for the battalion. Therefore on this day the officers and men of each specialty care for and clean all types of vehicles which make up the unit including individual and collective equipment such as vehicles, guns, communication equipment, etc. In order to assure the condition of the vehicles, the technical inspection committee appointed by the battalion inspects regularly. The vehicles in particular have to warm up their engines 15 - 20 minutes each week. Vehicles which are not used as jacked up or supported. To keep things made of steel from rusting, they paint on toi resin mixed with lubricating oil. They use hot kalet oil to wipe the bodies of the vehicles to keep the paint shiny.

8149/12851 CSO: 4206/48

### ARMY PAPER VIEWS FAMILY ECONOMY ENHANCEMENT, PRICES

Vientiane KONGTHAP PASASON LAO in Lao 27 Nov 86 p 3

[Article by S. Mouangsam: "The Model for Building the Family Economy Provided by the Bouakeo Family"]

[Excerpt] The Bouakeo family and Mrs Siphan do not raise pigs short term, and Mrs Siphan did not put off building up the family economy; they have been raising pigs since they moved from Viang Sai to Vientiane. It is true that initially they had many difficulties because they could not move all their things. When building its own economy, this new family met all kinds of problems which the state had to help with and provide supervision and support for. Generally speaking this is all right and has been the same for the families of other cadres which came from the "Viang Sai" liberated area.

So that the family could gradually become better off, the family of Comrade Bouakeo took up raising pigs for an extra income for the family. This was income to supplement the salary paid by the state. After they had a place to live, the family accumulated capital which they had received from the state and saved by economizing and used this money to invest in buying some pigs. When the pigs were in their pen, the difficulties increased. For example, before going to the office and after returning home, they had to brave the swamp to find water hyacinth and kanchong to boil for the pigs. In the beginning they had to consider the bran and root vegetables mixed with various kinds of plants. And before getting bran or vegetables they had to consider the money. So the family had to calculate its actual everyday expenses.

After talking it over, the couple was unified in saying that before this, because they did not have a great deal of capital, they saved enough money to buy two pigs. At that time two pigs cost 4,000 kip. After they had raised them to the proper weight, they had to sell them to get two big pigs to replace them. These 2 pigs multiplied to 10 to 15 pigs; this was not insufficient according to the couple, who added that raising pigs is the same as saving money, but the figures are not certain. If you sell 10 pigs in a year, the profit will be about 100,000 kip. If you include the cost of your own labor such as going to the swamp to gather plants, etc., then the profit will be about 80,000 kip.

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Since it has been raising pigs, the family has gotten many necessary things because of their work in raising pigs such as a television, a refrigerator, and the necessary vehicles. In addition to raising pigs, Bouakeo and his family also raise 50 to 100 chickens each year to bring up the family's living standard. Before we left Bouakeo, he said that next year one would be able to sell pigs to the state at state prices. There is a plan for this.

8149/12851 CSO: 4206/48

### VIENTIANE DEVELOPS TOURISM FACILITIES, INCOME NOTED

Vientiane PASASON in Lao 5 Jan 87 p 1

[Article: "In 1986 the Hotel and Restaurant Company Improved Four Tourist Sites"]

[Excerpts] In the past year of 1986 the Vientiane Hotel, Restaurant and Tourism Enterprise focused on improving tourism sites in the outskirts of Vientiane Capital, and improved four places to serve for vacation sites and tourism for the people of Vientiane Capital and also foreign guests. In past years three tourist sites had been improved in the Nasaithong District area north of Vientiane Capital, the Houai Son waterfall, Dan Soung and Houai Hinkhanna. Another sightseeing place in the south of Vientiane Capital is the Xiangkhouan tourist site in the Hatsaifong area.

Comrade Houmpheng Ngonkeo, chief of the Vientiane Capital Hotel, Restaurant and Tourism Company, told us that the purpose in repairing the four tourist attractions was to promote tourism in Vientiane Capital and to allow cadres, workers and the people in Vientiane Capital and also foreign guests to take a vacation on holidays. Each week the hotel company receives at least 10,000 guests, and each month it earns many millions of kip selling food and beverages.

Comrade Houmpheng added that along with improving these sightseeing locations, in 1986 the company also improved all the hotels and restaurants in Vientiane Capital in order to provide standard facilities for domestic and foreign guests, producing 372 million kip income for the company, exceeding the year plan by 15.88 percent. The company increased its obligation to the government by 14.86 percent as compared with the amount in 1985.

After succeeding in converting the main economic grassroots to business according to the new mechanism, in 1987 the hotel company will continue to improve and expand the hotels, restaurants and sightseeing locations and provide better quality.

9884/9190 CSO: 4206/59

### FEATURE ON POSITIVE ATMOSPHERICS OF ART TROUPE THAI TOUR

Vientiane PASASON in Lao 5 Jan 87 pp 2, 4

[Text] "It was truly beautiful." Although only a few words, this was the response of the people of Chiangmai spoken in sincerity and with true friendship regarding the performance of the friendship show, which included the "Mahasai Dance" and the ethnic "Kin Chiang Festival Dance" of the Mong tribe by the Lao Art and Gymnastics Troupe on its recent visit to Thailand.

In Chiangmai Province, in addition to the Lao troupe having had a chance to perform twice for the masses at the National Theater, our team led by Mr Thiam Phommachan, assistant chairman of the Lao Committee for Peace, Friendship and Solidarity with Other Nations, also joined a tree-planting ceremony with the agricultural university in the northern region. The tree they planted was the genus Lagerstroemia or, as it is called locally by the people of Chiangmai, the "Five" tree. Thus, by planting together the "Five tree in a year of peace, this was one more confirmation that the people of the two nations of Laos and Thailand really want to live together in peace according to the five principles. Dr Sawasdi Bungheungsuk of the Education Faculty of Chiangmai University who chaired the tree-planting ceremony said resolutely that "we will take good care of the three "Five" trees so they will grow strong."

After the two rounds of the show, our delegation left Chiangmai for Mahasarakham Province according to the welcoming arrangements made for us by the Thai Committee for Peace Project. But the words "very impressive" and "truly beautiful" spoken by the people of Chiangmai Province will echo forever for our Lao art troupe.

Our delegation arrived in Mahasarakham Province in the evening which was dinner time. We were warmly welcomed by the administrative committee and the Mahasarakham people as if we were in our own hometown. These were not words of mere formalities, but words of deep friendship between the peoples of Laos and Thailand. The people of Mahasarakham stood at the entrance waiting to pin flowers on each of our delegation in a cordial atmosphere of the song "wishing to give you flowers in a garden." Although The welcoming was rather ceremonial, each side was very informal and friendly. And though the people here represented two nations, they spoke the same language.

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Prior to the performance in the northeastern Art and Cultural Center of Siranakarinvirot University, our delegation was given a sightseeing tour around the downtown area, including the city hall with a spacious area with a Buddha statue hall in the middle [halfway from the entrance]. As I walked on the site many people of Mahasarakham told me that when they miss their relatives in Vientiane they come to worship at the Buddha statue at the city hall. This was probably true, because the people in Mahasarakham Province welcomed our delegation with enthusiasm and happiness, as was shown by the banner "Long Live Lao-Thai Brotherhood", which was one of many banners in different areas. Some of them were even written in Lao.

The spacious stage here in Mahasarakham Province is not as large as the heart of friendship that the people of Mahasarakham Province have for us, with many viewers climbing trees, holding onto bannisters, and standing in the sun because there were not enough seats. I do not have to say more about the atmosphere of the show in Mahasarakham because on the day of the show there was a live TV broadcast on Channel 10 in Thailand, and after the performance TV Channel 10 broadcast it again. A few days ago our Lao TV also broadcast the program. But I would like to add that no matter how advanced technology is, and no matter how good the TV cameras were, sometimes they aannot completely capture the mutual friendship, love and sincerity between the people of the two countries of Laospand Thailand.

As evidence of this fact there was the statement of Mr Thongbai Thongpao that was published in the 22 December 1986 issue of SIAM RAT: "We should not let any negative ideas or the influence of any foreign countries destroy the firm friendship of Laos and Thailand which has existed from ancient times. We must work in cooperation and keep our Thai-Lao friendship forever. We will no longer allow any evil and harmful power come to destroy our Lao and Thai friendship ... ". These words have great meaning for the friendship between the peoples of Laos and Thailand. Thus, after viewing the friendship show of the Lao Art and Gymnastic Troupe, the Thai masses are hopeful of a steady expansion in the friendship and cooperation between Laos and Thailand in every way and at all levels. According to issue 497 of SPECIAL NEWS magazine on 22-25 [month missing] 1986, the friendship performance of the Lao Art and Gymnastic Troupe "will lead to a relationship that will be recreated in the future at the national level...if the Thai government does not become too narrowminded."

9884/9190 CSO: 4206/59 'TALK' ASSESSES CULTURAL TROUPE VISIT TO THAILAND

Vientiane PASASON in Lao 30 Dec 86 p 3

["Talk" Column: "Smiles and Tears of Friendship"]

[Excerpts] The Lao Art Troupe and Gymnastics Team went to perform in Thailand on 10-22 December 1986 according to the performing arts exchange program of the Lao and Thai peace organizations.

After over 2 hours of the show Miss Malavan sang in a beautiful voice "Wishing Smiles for the World," drawing the attention of the viewers and attracting loud applause throughout the hall. Actually, everyone wants smiles for the world. They do not want war to return and devastate once more the population of the world. The song "Bird of Peace" by Miss Vilaivan Bounnaphon was touching for the audience, and it deepened the friendly and happy atmosphere between the peoples of the two fraternal and neighboring nations of Laos and Thailand. During the happy atmosphere there were sounds of music, applause, shouting, whistling, and exclamations of frieght from viewers staring wide-eyed at the gymnastics program "En-On Dok Champa", Love for Peace, Turning Table, etc. There were thousands of viewers, from the bright eyes of children 3-4 years old to one who was over 80 who was flanked by people supporting from the sides and who walked with a cane to sit beside me in the second row from the front. Some eyes had tears, and some had tears running down so much that they needed a handkerchief to dry them or else they had to turn their faces from other people for a while. One of the two old people who sat next to me said, "I want to watch it for the last time." He spoke proudly. The smiles when we greeted each other and the tears that ran down unconsciously could have come from their appreciation of the show by our team. But everyone knows well that it is a common thing to have happen when there is a reunion of brothers and sisters who have not seen each other for a long time. At that moment their happiness and pride was truly difficult to describe with words.

However, all this points to the fraternal and neighborly heritage between the people of the two nations of Laos and Thailand which has been since old times. No one will ever stop their love for each other, which instead must become greater and greater, as is the true wish of our Lao people. However, the Lao people were worried when we heard rumors

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throughout Thailand that as many as two-thirds of the entire 30 million Thai people face hardship because of Thai merchants and the authorities' buying the farmers' produce at a low price, especially a low price for rice, causing hardship among the Thai working class. Another thing that concerned us was the construction of the U.S. weapons stockpile in Thailand according to the recent agreement between Bangkok and Washington which, if true, can become a stubborn wood mite which can devour and ruin the fine friendship between the Lao and Thai peoples, and will tear apart the smiles and tears of friendship of the Lao and Thai peoples. This is because everyone knows well that war and weapons can destroy everything, including lives, property and human civilization.

9884/9190 CSO: 4206/59

#### BRIEFS

MEKONG RIVER SECURITY--After receiving orders from the local military service of their provincial military command unit, the guerrilla units of Thabok District undertook operations to defend their villages at the beginning of October. The military headquarters unit of Thabok District, Bolikhamsai Province, received orders for its guerrilla command cadres in every canton to carry out operations to inspect carefully their areas of responsibility, which meant the villages and cantons along the bank of the Mekong River. The assignment, which was very commendable, was for the guerrilla unit of every village and canton to inspect the passports and identification cards of all travelers in detail and regularly. [Excerpt] [Vientiane KONGTHAP PASASON LAO in Lao 27 Nov 86 p 1] 8149/12851

OUDOMSAI ARMY RECRUITMENT--In the last 9 months, 593 members of the multiethnic LPRYU of Oudomsai Province gladly volunteered to serve the nation. The LPRYU members of Houn District, Beng District, and Namo District were prominent in this. [Excerpt] [Vientiane KONGTHAP PASASON LAO in Lao 27 Nov 86 pp 1, 4] 8149/12851

CHAMPASSAK COFFEE EXPANSION PLANS--According to the report by Comrade Khamchan Kommaseng, member of the provincial administrative committee, assistant chief of the agriculture, forestry, irrigation and agricultural co-op section, and also an advisor on coffee production in Champassak Province, in order to make the content of the Fourth Party Congress reality Champassak Province is mobilizing the cadres and the people in different districts to clear and expand the harvest area from now to 1990 to be 20,000 hectares. This is in order to steadily raise the quantity and quality of this source of exports in their province. In 1986 in particular the province will try to clear 5,000 hectares of coffee-growing area. [Excerpt] [Vientiane PASASON in Lao 30 Dec 86 p 1] 9884/9190

ATTOPEU CROP INCREASES, WOOD CUTTING--The year 1986 was the first year beginning the implementation of the Second 5-Year Plan of the Party Central Committee. Attopeu Province has carefully expanded agriculture and has achieved the following. Rice field area was increased over 40 percent from 9,986 hectares in 1985 to 14,179 hectares in 1986, and the highland cultivation area was decreased by many thousands of hectares. Growing rice is the primary occupation, and growing edible crops is the secondary one. Total rice production in 1985 was only 27,879 tons, but in 1986, it was increased to 31,085 tons or over 11 percent. A forestry survey was conducted throughout the province to [look for potentiality],

LAOS

and they cut down 4,474 cubic meters of soft and hard wood, as well as protecting valuable forest and forest products. Attopeu Province took in assorted goods and distributed a total of 30 million kip within the province, purchased many hundreds of tons of forest products from the people, exchanged 2,243 tons of rice, and paid 880 tons of rice for agricultural taxes. [Excerpts] [Vientiane PASASON in Lao 27 Dec 86 p 1] 9884/9190

CHAMPASSAK ELECTRICITY PRODUCTION--The Se Labam Hydropower Plant in Champassak Province is now undergoing repair so that it will be able to supply electricity to the people in the province on a normal basis and an assured basis. In the repairs they focused on primarily using labor from the youth union and union labor organizations within the province. Throughout 1986 the hydropower plant was able to produce over 6 million kWh of electricity. [Excerpt] [Vientiane PASASON in Lao 5 Jan 86 p 1] 9884/9190

CSO: 4206/59

PAPER LAUDS PROPOSED END TO KUALA LUMPUR-SINGAPORE FLIGHTS

Kuala Lumpur BERITA MINGGU in Malay 28 Dec 86 p 10

[Editorial: "Courageous Proposal That Benefits the Nation"]

[Text] History and the current reality show that in many respects Singapore depends on its neighboring countries. No one can deny that the advances and development of that island nation resulted from the economic development of its neighbors. Singapore has not only had to depend on Johor for its water supply, but most of the construction in that country uses Malaysian sand. It has been said that sand dredged from Malaysia's river banks for export to Singapore erodes the banks. This is destructive to Malaysia. In addition to being dependent on Malaysia for raw materials, Singapore employs cheap Malaysian labor which aids the development of that island nation.

That country's communication sector has also grown rapidly because of the "contributions" of its neighboring countries. Its airline, Singapore Airline (SIA), became the major airline in this region because it could "steal" passengers from neighboring countries for overseas destinations. Therefore, because Singapore and Kuala Lumpur are such close neighbors, the rapid growth of SIA kept the Malaysian Aviation System (MAS) from succeeding. Malaysia's attempts to obtain land rights at international destinations were always overshadowed by the SIA. For instance, negotiations between the MAS and British Airways (BA) to obtain additional land rights at Heathrow reportedly were opposed by the SIA. Aside from SIA's opposition, BA also did not agree to allow additional landrights because this would cut into BA profits.

From the time the Malaysia Singapore Airline (MSA) was split into the MAS and the SIA in 1972, the two companies competed to expand their businesses. The split proved fortunate for Singapore because SIA inherited the international flights while MAS took over the domestic flights. With its special position and strong financial support, SIA grew more rapidly than MAS. Now SIA flies to 47 international destinations while MAS flies to less than half. It is not surprising, therefore, that MAS' major competitor is the SIA and not any other gigantic airline.

The "theft" of MAS flights by SIA is no longer a secret in the aviation history of the two airlines. Because SIA has more flights and more frequent flights to international destinations, especially to Europe and America, many potential MAS passengers are stolen by SIA. MAS, therefore, is always the weaker party because it has no bargaining power in its negotiations with other airline companies. This also causes other international airlines to be less interested in serving Kuala Lumpur because it is felt to be an unprofitable route.

This, of course, cannot be permitted to continue. Since MAS has proved that it is a capable international airline, a more courageous step must be taken to ensure that MAS is a profitable airline. The proposal of Tengku Razaleigh Hamzah, minister of trade and industry, that MAS re-examine its air agreement with SIA must be given immediate attention. Mr Datuk Abdul Aziz Rahman, director of MAS affairs, the man responsible for creating a new image for that company, was the first to support this proposal. He said MAS must stop feeding the SIA and should make Kuala Lumpur a major destination for tourists.

If service between Singapore and Kuala Lumpur is harmful to MAS' growth, there is no reason why that service cannot be ended. Although such serviced is profitable for MAS, the larger profit is garnered by SIA because some 60 percent of the passengers flying from Kuala Lumpur to Singapore use SIA for flights to international destinations.

If these round-trip flights are ended, tourists from international destinations who want to visit Malaysia may be attracted to using MAS rather than SIA as well as using for local flights. Senai Airfield in Johor Bahru will also benefit. This firm step will certainly annoy SIA, but we need not waste any sympathy on SIA because it has never shown any sympathy for MAS. Nevertheless, to make certain that this step will be beneficial, other strategies must also be considered to attract many more international airlines to land in Kuala Lumpur. Reduced landing fees and improved facilities at airports are some of the incentives that might be considered by the government so that MAS is not acting alone in trying to introduce Malaysia into the international market.

6804/9312 CSO: 4213/41

MALAYSIA

### PBS CONCERNED ABOUT UMNO ENTRY INTO SABAH

### 'Disregard' for Friendships

Kuala Lumpur BERITA MINGGU in Malay 21 Dec 86 p 1

[Text] Parti Bersatu Sabah (PBS) characterizes the entry of the UMNO (United Malay National Organization) into Sabah as an act of disregard for the friendships that exist within the Barisan Nasional (National Front) family.

Commenting in Kota Kinabalu on Saturday, Encik Lawrence Gimbang, the PBS information chief, said, "We have become friends in the BN and it is proper that we hold fast to this feeling of solidarity in the interests of the people and the state."

He said that the UMNO's entry into Sabah may disturb the local political climate because a large number of people, and PBS supporters in particular, consider the political views of the UMNO to be something new and are not yet able to accept them.

Encik Gimbang, who is deputy speaker of the Sabah State Legislative Assembly, was commenting on an announcement made by Encik Ghafar Baba, a deputy prime minister and also UMNO vice president, that the UMNO will be officially established in Sabah and that it wants to become a closer friend of PBS.

Encik Ghafar said that a sponsors committee of the Sabah UMNO Liaison Board already has been formed and that it is headed by Datuk Haji Kassim Kamiddin, the permanent chairman of the USNO (United Sabah National Organization) Conference.

Encik Gimbang said, "If the UMNO's objective in coming to Sabah is a desire to be friends and strengthen cooperation with PBS, then we are already friends in the broadest sense of the word."

### Taken Into Account

He also said that PBS represents the majority of the people in Sabah and that its views should be taken into account because it is not just a government party but is also the main component of Barisan Nasional in Sabah. He said PBS has forwarded two memoranda on the subject of the UMNO's entry into Sabah to the top leadership of the UMNO.

The first memorandum was from Malay Muslim leaders in Sabah and was submitted 5 days ago to UMNO President Datuk Seri Dr Mahathir Mohamad by Encik Kasitah Gadam, a PBS vice president who is also a minister in the Prime Minister's Department.

And last night Datuk Mark Koding, a PBS vice president and deputy chief minister, gave another memorandum on the same subject to Encik Ghafar, he said.

Encik Gimbang said that no one can prevent the UMNO from entering Sabah, "But for the good of the various races of people in this country, the views and opinions of the people of this state should receive attention."

### Continuation of USNO

Kuala Lumpur BERITA HARIAN in Malay 22 Dec 86 p 1

[Text] PBS objects to sharing power with the UMNO in the government of Sabah even though both parties are members of Barisan Nasional.

PBS Secretary General Encik Joseph Kurup said this is because the PBS feels that when the UMNO is established in Sabah it will be a continuation of the USNO. The USNO is to be dissolved.

He said that although PBS and the USNO are members of Barisan Nasional, they are unable to cooperate in governing the state.

In any case, he said, the issue of the UMNO's entry into Sabah will be decided at a meeting of the party's Supreme Council.

The date of the meeting has not been set because PBS President Datuk Joseph Pairin Kitingan is vacationing abroad.

Encik Kurup said that the PBS is prepared to cooperate with the UMNO as a member of Barisan Nasional if the UMNO operates in the peninsula and does not continue the activities of the USNO in Sabah.

5458 CSO: 4213/40

MALAYSIA

### SUPPORT FOR UMNO ENTRY INTO SABAH

Kuala Lumpur BERITA MINGGU in Malay 21 Dec 86 p 10

[Editorial: "The UMNO Is Not Going to Sabah for a Contest of Strength"]

[Text] It is only a matter of time until the UMNO (United Malay National Organization) stretches out its wings to Sabah. The top leadership of the UMNO has decided not to act hastily in establishing a base in Sabah, but the developments of the past few weeks indicate that the time is not far off. One of the matters receiving the attention of the people at UMNO headquarters is the selection of the person who is best qualified to pioneer the way for the Sabah UMNO as its chief of liaison. The UMNO's hopes of becoming a strong party in Sabah will brighten if the right person is selected for this important position. The UMNO certainly wants to find a person with charisma and intelligence, a person whose authority is recognized by the public.

Of course the UMNO recognizes that any compromise it makes in selecting a chief of liaison must be governed by the realization that the party's image cannot be bought or sold, and that certain desires and aims must be met by its expansion into Sabah. The UMNO has turned down earlier opportunities to go to Sabah on the basis of these considerations, even though there are people in Sabah who would have liked to see the party active there before now. The UMNO respects the right of the people of Sabah, and the right of Malays and natives in particular, to choose their own political style and destination, and the party is in no hurry to enter Sabah because it has great hopes that the people there will try to establish stable conditions without too much interference from the national level. As is generally known, the feeling is that Sabah already has a party quite similar to the UMNO in the USNO (United Sabah National Organization).

But now the situation has changed somewhat and there is also a different atmosphere. The USNO, which earlier succeeded in winning the confidence of a large part of the people of Sabah and in developing the economy of the state, now feels less certain that it can continue to maintain itself in a position that will enable it to protect the rights of natives and the Muslim community. Also, the efforts made by the UMNO to participate in the state government through the Berjaya party ended recently when Berjaya was rejected by the people of Sabah. And although Barisan Nasional (National Front) has accepted Parti Bersatu Sabah (PBS) as a member, the UMNO feels that there is a need for its own presence in

Sabah as a party that represents natives and Muslims. This certainly does not mean that the UMNO is refusing to the cooperate with PBS, for UMNO Vice President Encik Abdul Ghafar Baba, a deputy prime minister, has stated that the presence of the UMNO in Sabah will create opportunities for closer cooperation with PBS.

The political unrest in Sabah is causing some of the people, particularly those who are not directly involved in politics, to feel as if the lack of defenders and loss of the future is caused by party politics. Party politics clearly is on the increase in Sabah, and this situation compels the people to look toward the peninsula. For Malays, some natives and the Muslim community in general, the most logical choice is the UMNO. They have watched the political activities of the Democratic Action Party (DAP) and are more or less familiar with the political activities of the the Pan Malaysian Islamic Party (PAS), for both of these parties have spread their wings to Sabah. But the DAP does not provide an alternative because it still depends on the Chinese community, as demonstrated by the last election; and it is difficult for the people of Sabah, the Muslim community included, to take confidence from the record compiled by PAS.

It is not difficult to understand that some PBS leaders should be worried about the plans of the UMNO, yet if they are convinced they have acted fairly then they have no need to be concerned about the party. If all of the people are satisfied with PBS they will not support other parties. If they are not satisfied with PBS then they must be given an opportunity to make a choice, and the UMNO provides this opportunity. Cooperation with PBS will continue under the Barisan Nasional umbrella. And if PBS does not dispute the presence of the DAP and PAS, which are not components of Barisan Nasional, then it is not right for it to dispute the entry of the UMNO into Sabah. The fact is that cordial relations do exist between PBS and the other parties in Barisan Nasional. The UMNO, which has great influence in Barisan Nasional, certainly would have opposed the membership request of PBS if it believed it could not cooperate with that party, and its acceptance of the request means that it is convinced that it can cooperate with PBS. The need to develop a national solidarity that does not recognize political, racial and religious boundaries is more important than the UMNO's entry into Sabah. The time has long since come for us to recognize our obligation to think and act as one state and one nation.

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MALAYSIA

#### PAS OFFICIALS ON COOPERATION WITH UMNO

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### Nakhaie Optimistic

Kuala Lumpur BERITA HARIAN in Malay 28 Dec 86 p 1

[Text] Kuala Lumpur, Saturday [27 December]--Today the PAS [Pan-Malayan Islamic Party] disclosed that it was convinced it could cooperate with the UMNO [United Malays National Organization] if both of the parties upheld the concept of a global Islamic struggle.

Haji Nakhaie Ahmad, its vice president, said the possibility of the UMNO and the PAS cooperating has always been held open on condition that the two sides were prepared to change their respective leadership styles to fulfill the commands of Islam.

"I am convinced cooperation between the UMNO and the PAS would be imminent if changes were made in that direction. Important to the Islamic struggle is the spread of the concept of Muslim welfare.

"We want Islam to really bring its blessings to all. This is expected to happen. Allah willing, if it does not happen during Datuk Seri Dr Mahathir Mohamad's era, it will happen in the next era," he affirmed.

Haji Nakhaie provided this information in an interview with TV 3. The interview was broadcast on that station's news program today.

The PAS vice president said current differences between the UMNO and the PAS range around the various ideas people have of Islam.

According to him, the question of how Islam is fought for is connected with how society forms its opinions about Islam; that is, how people view Islam as well as how much they understand about its activities.

"Therefore, I feel these questions can be resolved in the future," he said.

For PAS, he remarked, Islam is important and not the groups that struggle for religion.

The readiness of the PAS vice president to speak with the mass media is felt to be a new development after the congress, held in Terengganu in September, decided to boycott the mass media because it lost in the last general election.

#### Yusuf Rawa: Changes Needed

Kuala Lumpur BERITA HARIAN in Malay 29 Dec 86 p 1

[Text] Seberang Prai, Sunday [28 December]--Cooperation between the UMNO and the PAS will become fact if the Muslim community, particularly the leaders of these two parties, are prepared to change the way they think and act, said Haji Yusuf Rawa, the PAS president.

"We must see a change in these concepts before we see UMNO and PAS cooperation in all fields. The concepts reflect the global struggle of Islam.

"If they remain unchanged, there will be no cooperation between the two parties," he said, commenting on the belief of Haji Nakhaie Haji Ahmad, the party's vice president, that UMNO and PAS cooperation was possible.

"This is debatable no longer. It is clear," he said.

The Islamic community's ideas about the global Islamic struggle concept, he said, must be expanded in all fields.

Concerning a meeting between the two party leaders, Haji Yusuf said the question of a meeting did not arise. What is important is how Muslim's ideas are changing.

Haji Yusuf said the leadership styles of both parties must change to meet the demands of Islam, and the PAS is fighting for such changes now.

Fadzil Noor Notes Differences

Kuala Lumpur BERITA HARIAN in Malay 30 Dec 86 p 2

[Text] Kuala Lumpur, Monday [29 December]--Haji Nakhaie Ahmad, PAS vice president, said his party would study Datuk Seri Dr Mahathir Mohamad's statement on UMNO-PAS cooperation before his party made any decision on the matter.

We must discuss this before making any decision, he said today.

There is nothing new in the idea of PAS cooperating with the UMNO, but it is something the party has long desired, he said.

Today's papers reported that Prime Minister Datuk Seri Dr Mahathir Mohamad said the UMNO was prepared to cooperate with the PAS if that party would truly uphold Islam. Question of Two Imams

The prime minister said if the PAS stopped calling the UMNO an infidel party and settled the question of two imams leading prayers, cooperation between the two parties could be achieved.

This past Sunday Haji Nakhaie said the PAS was prepared to cooperate with the UMNO to create unity among Muslims of this country.

Haji Fadzil Noor, the PAS deputy president, added that the PAS was prepared to cooperate with the UMNO if that party changed its policies.

According to Haji Fadzil Noor, the problem now is that the UMNO upholds nationalism rather than struggling according to Islamic principles.

He said Haji Nakhaie Ahmad's clarification last night that the PAS could cooperate with the UMNO if both parties upheld the global struggle concept was clear, and no more debate was needed.

"We are convinced that changes could be made for Muslim welfare if the UMNO really fought for Islam.

"These changes must be made before there is any UMNO-PAS cooperation because the changes will reflect the true struggle concept," he told BERITA HARIAN in the PAS home office here today.

Because of a lack of real understanding of what Islam stands for, Haji Fadzil said, the UMNO has been unhappy with the PAS' propagation of Islam.

Regarding Datuk Seri Dr Mahathir's statement that the PAS must hold firmly to the true teachings of Islam, Haji Fadzil said the PAS does maintain its policy of struggling for Islam.

Concerning the question of prayers being recited by two imams, he claimed that the problem was sparked when UMNO removed PAS imams and replaced them with UMNO imams.

"This was not done because of the imams' qualifications but was done for political purposes," he said.

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### CHANGE IN PAS ATTITUDE PEVIEWED

Kuala Lumpur BERITA HARIAN in Malay 29 Dec 86 p 10

[Editorial: "Is It the PAS' or Haji Nakhaie's Attitude That Has Changed?"]

[Text] The interview of Haji Nakhaie Ahmad, PAS [Pan-Malayan Islamic Party] vice president, on TV 3 concerning the possible cooperation of that party with its traditional enemy, the UMNO [United Malays National Organization], has surprised many people. First of all, Haji Nakhaie's willingness to be interviewed indicates the change in the party's attitude toward the mass media. The public knows that the PAS congress held in Rusila, Terengganu, last September decided to boycott the mass media which it claimed broadcast harsh reports about it, causing the party to suffer a bitter defeat in the last general election. Our hope is that Haji Nakhaie's statement signals that PAS leaders have begun to end their boycott of the mass media.

Second, the essence of Haji Nakhaie's statement to the effect that he was convinced that the PAS could cooperate with the UMNO if the two parties upheld the global struggle of Islam. What is clear is that Haji Nakhaie did not attack the UMNO which to date he as accused of various things. His view that the leaders of both parties must change their leadership styles to fulfill the commands of Islam is one that has been voiced rarely by PAS leaders in the past. Indirectly, this means that Haji Nakhaie also admits that the PAS leadership style does not fulfill the demands of Islam yet.

Another question is whether other PAS leaders agreed with the statement of UMNO-PAS cooperation or whether this is merely the personal view of Haji Nakhaie. If this is his personal view, it is not his alone because Haji Yusuf Rawa, the PAS president, also supports it. This perhaps has caused some confusion about what is the PAS attitude and what is that of Haji Nakhaie and Haji Yusuf Rawa. When the PAS congress was held, Haji Nakhaie and several top PAS leaders from the west coast of the peninsula were severely criticized by the membership reportedly because they were responsible for the PAS' bitter defeat.

Reportedly because of this criticism, Haji Nakhaie and several other top leaders of PAS presented their letters of resignation. It is understood that the resignations were submitted not only because of the membership's criticism. This also revealed that their attitude differed from the leadership style of a number of east coast party leaders. Nevertheless, the east coast leadership reportedly later succeeded in urging Haji Nakhaie and several other west coast PAS leaders to change their minds about resigning.

Whether Haji Nakhaie's statement reflects the views of the PAS leaders or his personal view, the end result has inspirited the Malays and Muslims. Muslims who to day have been confused by the political struggle consisting of mutual recrimination of Muslims will definitely welcome Haji Nakhaie's statement. We are certain PAS and UMNO members will find no hidden meanings in his statement because Haji Nakhaie's leadership up to this time has demonstrated that as a leader he differs greatly from other PAS leaders. By eschewing prejudice and base political tactics, we hope Haji Nakhaie's readiness to meet with the mass media and his impartial view on possible PAS-UMNO cooperation will be the starting point for translating such cooperation into reality. For Haji Nakhaie, it is important in the Islamic struggle to spread the concept of Muslim welfare, and if this aspiration is truly upheld, there is no reason why the long awaited cooperation cannot occur. What is needed here is for the two parties to stop accusing each other and sit down at the table together to consider the question of Muslim welfare.

Actually there is little difference between the UMNO and the PAS. If viewed from the standpoint of their institutions, the differences in their approach and struggle are not great enough to cause them to be enemies who cannot meet face to face. Their different concepts of Islam that obstruct cooperation could be resolved if the two parties really desired Muslim welfare. Even Haji Nakhaie is convinced that questions about Islamic concepts could be resolved.

6804/9312 CSO: 4213/41

MALAYSIA

### PBS, GERAKAN MAY BE PLANNING TO FORM CONFEDERATION

Kuala Lumpur UTUSAN MALAYSIA in Malay 22 Dec 86 p 2

[Text] The cooperation between Parti Bersatu Sabah (PBS) and Gerakan (Gerakan Rakyat Malaysia) has been the subject of much discussion recently and may now be given official status through the formation, early next year, of a confederation of the multiracial parties in Barisan Nasional (National Front).

The two parties will hold official discussions in Kuala Lumpur next month to decide on the steps they will take.

The matter of whether the cooperation between the two parties will be followed up by the formation of a confederation or some other type of organization will be decided by the leaders of PBS and Gerakan at this conference.

PBS Secretary General Encik Joseph Kurup confirmed to an UTUSAN MALAYSIA reporter at his home today that there is a plan to form a confederation.

He could not provide any further details but it is understood that the confederation will be composed of parties that are members of Barisan Nasional and that have multiracial platforms.

The rationale is that Barisan Nasional is now composed of two groups of parties. One group is made up of parties that are organized along racial lines, such as the UMNO (United Malay National Organization), MCA (Malaysian Chinese Association) and MIC (Malaysian Indian Congress). The other group consists of parties that base their struggle on multiracial platforms, such as PBS and Gerakan.

It is understood that the objective of PBS and Gerakan is to join the multiracial parties in a cooperative alliance that will prove to be more effective and that will be a member of Barisan Nasional.

It is not known what other parties may become members of the confederation, but it is certain that they will not include parties that are not members of Barisan Nasional or such racial parties as PAS (Pan Malaysian Islamic Party).

It is also understood that the members of the confederation will not leave Barisan Nasional and that they do not intend to establish themselves as an alternative to Barisan Nasional. The parties are expected to ask the Barisan Nasional chairman, Datuk Sri Dr Mahathir Mohamad, for his approval and blessing.

Since the middle of the year, when the leaders of the two parties held several unofficial meetings, there has been much talk about a planned merger of PBS and Gerakan to form a new party.

The party leaders have denied in the press that a new party called the "Parti Bersekutu se-Malaysia" (Pan Malaysian Federated Party) will be formed and that it will use the initials "PBS."

Datuk Dr Lim Yeng Kaik, the president of Gerakan, and Datuk Joseph Pairin Kitingan, the president of PBS, are reported to have said that the close relationship between PBS and Gerakan is only a form of cooperation.

Thus far the discussions between the two parties have been conducted on an unofficial basis.

5458 CSO: 4213/40

# SAMY VELLU WINS MIC PRESIDENCY UNCONTESTED

Kuala Lumpur BERITA HARIAN in Malay 29 Dec 86 p 1

[Article by S. Sivaraman: "Samy Vellu Wins Uncontested"]

[Text] Kuala Lumpur, Sunday [28 December]--Datuk S. Samy Vellu kept his post as MIC [Malayan Indian Congress] president for another 3 years when he won unopposed after nominations for candidates were closed at 12:30 today.

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This is the first time in 15 years that a MIC president has been unopposed in an election for this office.

Datuk Samy, who presented his declaration of candidacy at 10:27 in the morning, will remain as president for the third term until 1990.

Datuk S. Subramaniam, chairman of the presidential election committee, announced Datuk Samy Vellu's victory at 12:30 after examining and approving his declaration of candidacy.

R. Perumal, head of the Gunung Rapat Branch, and S. Muniandy, head of the Sungai Getah Branch, who reportedly were to run against Datuk Samy, had not presented their declarations of candidacy by the time nominations were closed.

In the news conference following the announcement of the winner, Datuk Samy, who also is the minister of works and utilities, said the party's leaders would continue to stress the economic and educations questions of the Indian community in this country.

He said the uncontested victory was evidence of the unity achieved by the party in the past few years.

"We must make a better effort to ensure that the community's interests are represented because more and more the people expect the party to serve them," he said.

Stern measures, he said, would be taken against those who attempt to infringe on party unity for their own purposes. "We should not argue amongst ourselves any more because history has shown that this damages the Indian community directly and the nation indirectly," he remarked.

According to Datuk Samy, the party will continue to support the government headed by Prime Minister Datuk Seri Dr Mahathir Mohamad as well as try to achieve better communication with the UMNO [United Malays National Organization] on any questions related to the nation's welfare.

This is the first time Datuk Samy has won unopposed. He became deputy president of the MIC following the death of Tan Sri V. Manickavasagam in 1979.

In 1981 he defeated Mr R. Vellasamy, head of the Lobak Branch, and Mr R. Perumal, head of the Gunung Rapat Branch.

He became president for the second time 3 years later when he defeated Mr Y. Thomas, head of the Jalan Pekililing Branch, who only received 35 votes.

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MALAYSIA

# DEPUTY MINISTER CALLS FOR INCREASED FOOD PRODUCTION

Kuala Lumpur BERITA HARIAN in Malay 19 Dec 86 p 3

[Text] Malaysia is forced to import about M\$3,000 million worth of food each year because agricultural development focuses too strongly on rubber and oil palms, according to Deputy Minister of Agriculture Encik Luhat Wan.

The deputy minister said that the value of food imports is increasing and that last year the total reached M\$3,075 million.

He said that current economic conditions adversely affect the nation's ability to continue to import and that, in order to reduce the use of foreign exchange, an effort must be made to increase food production.

Speaking at the Annual Conference of Directors of Agriculture in Kuantan on Thursday morning, the deputy minister said that in the development of the agricultural sector there are two important policies that must be emphasized, namely, the continued production of primary commodities and the increased production of food crops.

"The government estimates that the demand for fresh vegetables will rise from 291,600 metric tons to 320,700 metric tons by 1990, and it is estimated that the demand for fruit will increase from 356,200 metric tons to 391,709 metric tons in the same period," he said.

Potential

He said that there is a high import substitution potential for vegetables, fruits and various other crops and that farmers can use this potential to increase their income.

This is because Malaysia has a good potential for producing such crops as tea, red peppers, cabbage, corn, asparagus and mushrooms for either local use or export, he said.

Encik Luhat said that Malaysia's exports of fresh vegetables to Singapore are valued at only M\$44 million a year although the potential market there is estimated to be M\$110 million a year.

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MALAYSIA

#### POLICE DETAIN TAN TIONG HONG

#### Breach of Trust Alleged

Kuala Lumpur BERITA MINGGU in Malay 21 Dec 86 p 1

[Text] Police today detained Datuk Dr Tan Tiong Hong, a former deputy minister in the Prime Minister's Department, on suspicion of complicity in a breach of trust involving the Selangor Small Businessmen and Vendors Cooperative (Sakapp) in the sum of M\$300,000.

Datuk Dr Tan, who at one time was secretary general of the Malaysian Chinese Association (MCA), was released on bail of M\$250,000 pending an appearance in court on Tuesday.

Police sources say that a police squad from Bukit Aman headquarters went to the office of Datuk Dr Tan on Jalan Punchak in Kuala Lumpur and arrested him at about 1400 hours.

Encik Tan Seng Soon, a former member of the Sakapp board of directors, also was detained this afternoon. He was arrested in Datuk Dr Tan's office.

Datuk Dr Tan, former chairman of Sakapp, and Encik Tan, former member of the cooperative's board of directors, were taken to police headquarters in Bukit Aman for questioning and statements.

The sources say they will be charged on several other counts when brought to court.

In August of this year Bank Negara suspended 24 cooperatives that take deposits, Sakapp included, because it was said that they were involved in the diversion and misuse of funds.

Sakapp has formed a new 9-member board of directors to control the administration of funds.

A white paper presented earlier in Parliament recommended that Sakapp be closed down because it had losses of M\$24.4 million and no funds to administer. The cooperative is charged with loaning M\$16.5 to members of its board of directors and their affiliated companies, with M\$11.9 of this amount being loaned to Hew Ah Choo and his affiliated companies.

Released on Bail

Kuala Lumpur BERITA HARIAN in Malay 30 Dec 86 p 1

[Text] Datuk Dr Tan Tiong Hong, a former deputy minister in the Prime Minister's Department, was brought into Middle Court in Klang today on two charges of abetting a breach of trust involving M\$1.167 million in funds belonging to the Selangor Small Businessmen and Vendors Cooperative (Sakapp).

He is charged with committing the offense with Tan Seng Soon, a former member of the Sakapp board of directors. The two men are charged with abetting and assisting Hew Ah Choo, the current chairman of Sakapp, in committing a breach of trust involving the money of the cooperative.

Hew has entered a plea of guilty but Datuk Dr Tan and Tan Seng Soon have entered pleas of not guilty and asked for trial.

The president of the court, Encik Abdul Halim Abdullah, has allowed Datuk Dr Tan and Tan Seng Soon to be released on bail of M\$1 million each, with two guarantors for each man. He also directed that their international and restricted passports be confiscated.

5458 CSO: 4213/40

MALAYSIA

#### BRIEFS

FORMER KOSATU CHAIRMAN SENTENCED--Kuala Lumpur, Monday [22 December]--Today Tee An Chuan, former chairman of the United Youth Cooperative, Ltd (KOSATU), 42 years old, was sentenced by the High Court here to 12 years in prison and a fine of \$50,000 [Malaysian dollars] or 6 months in prison because he committed a breach of trust involving \$603,700. In handing down the sentence, Judge Datuk N.H. Chan characterized the crime as "contemptible, cruel, despotic, and despicable" and called his breach of trust "theft." Mr Ronald Khoo, Tee's lawyer, will appeal the sentence to the Supreme Court. Tee appeared downcast and exhausted when the sentence was pronounced in the packed courtroom. The prison sentence was effective as of 12 December when the court withdrew the \$750,000 bail, paid by two bondsmen, which was levied by the district court when he was first accused of the crime. Earlier, the judge said, "In this case, a chairman of a cooperative used his position of trust to take a large amount of money that had been deposited in the cooperative. The money was stolen from those who are very poor, those who are unable to sustain the loss. This crime is cruel and despicable. His is the most evil crime. The money taken fraudulently was used by the accused for his own purposes. This crime has a destructive impact. I cannot be unmindful of the blow this crime has given to the public and to its confidence in this institution. From the facts in the case, the accused clearly was entrusted with the chairmanship of the cooperative and with \$603,700 of the KOSATU's funds. He unscrupulously took that money for his own use," the judge said. [Excerpts] [Kuala Lumpur BERITA HARIAN in Malay 23 Dec 86 p 1] 6804/9312

CSO: 4213/41

# CHAWALIT SUPPORTS KING'S BIRTHDAY FETE, MONEY NO OBJECT

Bangkok KHAO PHISET in Thai 15-21 Dec 86 pp 21-22

[Article: "'Big Chiew' and the Cavalry; Watching the 1st Cavalry Troop"]

[Excerpts] Usually for the birthday celebration of his majesty, King Phumpibol Adulyadet, which is on 5 December every year, there will be a military ceremony called "Pledging Allegiance to the King" and a parade of the King's Guard. This occurs every year on 3 December.

A cavalryman told KHAO PHISET about the most recent 3 December Parade. KHAO PHISET asked Major Worawit Pratumranga, commander of the 1st Cavalry Troop, King's Guard, who led the parade to the ceremony, why the cavalry was involved again this year.

"First, it is to prepare for the king's celebration of his 60th birthday next year. According to the original agenda, the cavalry were in the parade and, this year, the commanders in chief from the ASEAN countries came to see the ceremony. It was a good idea to exhibit this old custom to foreigners. Thailand is an ancient country with a traditional cavalry parade which is customary for a country with a king as the head of state. For example, England, France, and even Germany used the cavalry for ceremonial purposes during their kings' birthday fetes."

Major Worawit also said that he used to show videos and movies of cavalry parades for England's Queen Elizabeth's birthday fetes. He also used to talk about this with Lieutenant General Narudon Dedpradidyut, army secretary, who always used to practice riding at the troop until General Chawalit Yongchaiyut, the present commander in chief, heard about this and became interested in reviving it.

"I went to see him before I left to buy horses in Australia when he recalled that there was still a cavalry troop in the King's Guard," said Major Worawit.

That was the origin of the idea to bring the Cavalry Troop, King's Guard, into this year's king's birthday fete. Before that, the troop commander said that the deputy commander of the Royal Guard had contacted the troop to have them participate in the king's birthday fete ceremony in 1987. But when this matter went to the Bureau of the Royal Household, the king did not want to have the cavalry. His reason was that it was a waste and that practices could cause traffic jams. This matter was laid to rest for a while.

When General Chawalit became seriously interested in reviving the matter, he held discussions and agreed to have the cavalry particpate in this year's parade as an experiment to see whether it was good or not and then consider their participation in next year's ceremony.

"In my opinion, I thought the result was quite good considering there was only 2 months of preparation after receiving the orders. It is something new and it looks like people are quite interested in it. I think that it is a good sign that the seniors reconsidered this matter."

Those were the words of Major Worawit after this year's parade ceremony and it seems that he is confident that the cavalry certainly will be in next year's ceremony.

"There is no such word as 'waste' when honoring the king. Our country depends on him, if we reduce his importance, it means that we are risking our country, therefore, no matter how much it costs, I am willing."

Major Worawit expressed his opinion and mentioned that General Chawalit is earnest about this matter as we can see from the Army Civil Affairs Department's television promotions to interest the people so that they will go and see the ceremony.

"We are fortunate that the commander-in-chief understands this," said Major Worawit.

13216/13104 CSO: 4207/94 WEEKLY SAYS ARMY SECRET FUNDS SUPPORT IRREGULARS

Bangkok KHAO PISET in Thai 15-21 Dec 86 p 11

[Text] Secret Funds

From the border to irregulars

Four million baht was cut from the 289 million baht figure Army secret fund, but the Army proposed an increase of 12 million baht and got it. . .a profit of 8 million baht. In general, it is a victory for the Army or General Chawalit Yongchaiyut, "Big Chiew," But when you look at the figures, a source among the high-ranking military reveals that "Big Chiew" and other "biggies" are not satisfied with the figures. . .the supposed reason is that. . .the Army has enormous responsibilities.

THAILAND

The Army secret fund figure for fiscal year 1982 was 560 million baht, in 1983 it was 556 million baht, in 1984 it was 614 million baht, in 1985 it was 614 million baht, in 1986 it was 289 million baht, and in fiscal year 1987, which is now causing problems, it is 289 million baht, plus a profit of 8 million baht, it is 297 million baht . . .

General Arthit Kamlang-ek, former supreme commander and commander in chief of the Royal Thai Army, told KHAO PISET that the secret fund is not as freely used as common people think. When he controlled the army, it was used for national defense activities, especially on the border and for "moving the army, bonuses, salaries, and sometimes for purchasing arms and those sorts of things which are not programmed."

The army source told KHAT PISET that part of the secret fund was used for nothing else except the "irregular forces" which have grown large. The reason why the secret fund was used for the irregulars was because there is no law recognizing this particular force, therefore, the secret fund was used to pay its bonuses and salaries.

The source said "at the beginning, for example, there were battalion-size irregular units in the south which required the transfer of 6 months' of salary, of 5-6 million baht, from the center. Now they have grown to 10-20 regiments, please compare the figures." The source also indicated that is the

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national economy continues like the present and fighting the communists decreases as it now has. . .the irregular forces can be reduced or abolished in the future.

No matter what, as "the godfather of the irreglars," would "Big Chiew" decide to do that?

13216/13104 CSO: 4207/94

## POLICE INTELLIGENCE PRIORITIES, BUDGET REPORTED

Bangkok KHAO PISET in Thai 15-21 Dec 86 pp 12-14

[Text] Dissecting the Plan; National Espionage; Order to Watch the 5 Groups Closely; The "City Police" Enter the Laser Era

"The political, economic, and social situations have changed rapidly. The police department is one of the agencies which has a very important job in acquiring intelligence concerning the movement of persons and groups who might take action which agitate or threaten society."

One of the conclusions of the "intelligence development plan" of the police department, which is a project for the years 1988-91, said that:

Acquiring "intelligence" as mentioned above, not only means security, but also covers criminal intelligence and administrative intelligence.

For the aforementioned three categories of intelligence, Police Lieutenant General Sawat Amonwilat, chief of administration of the police department, made the administrative section responsible for supplying intelligence to every agency in the police department. There will be a deputy chief of administration of the police department in charge.

Eight Situations

Disproving The Plantiff

Before there was a draft intelligence development plan, the police department had compiled problems of many different kinds, including criminal and security cases which had been well-analyzed.

1. Labor disputes have increased due to changing economic and social situations. The present political atmosphere encourages different groups to join together for mutual benefit. This creates endless disputes.

"The demands of labor hve a tendency to lead to violence as in some countries where this is used to pressure the government. The interfering group will take the opportunity to incite or help the movement to strike against officials, destroy the property of employers and government property. Or the movement might spread so widely that it is difficult to control similar to what happened on 14 October 1973 or in the tantalum unrest."

2. At present, groups of advanced students continually try to create situations for movements. At this time especially, they are trying to create roles and relationships with labor groups and farmers in order to create negotiating power to deal with the government like in the past.

At present, there are separate groups with different ideas. Each group is trying to win leadership at its institution. It has been discovered that "the cause for fighting at Ramkhamhaeng University" was the big budgetary benefit given the administration committee of the student association and not "political ideals."

"The problem of today's student groups is very complicated. Conflicts are violent, the opposition is assaulted during campaigns such as happened at Ramkhamhaeng University. The roles they are trying to take today are leading them to violence like labor."

3. Terrorism in the country, such as the bomb in front of the King's Throne in the south, the placement of bombs at the trade fair at Huamark, bomb threats in many other places, the most serious of which was the bomb in front of the Erawan Hotel, is very dangerous and expected to continue.

4. There is international terrorism, such as air hijackings, bomb threats at several embassies, and the bombing of the Israeli Embassy, and there are several international terrorist groups such as radial Sikhs, the Red Japanese, and terrorist groups from the Middle East who have tried to enter Thailand several times to create problems in Thailand.

5. There are several groups which gather together only to demand benefits, but there are other groups organized to support their own ideas. Some groups have radical ideas, such as the Red Gaurs and the Nawaphon group. In the past there have been several groups which have fought stubbornly, such as the slum-dwellers group. Some groups have practiced with weapons, for example, the Thai Volunteer Protectors.

"The Thai Volunteer Protectors," however, had limited involvements because "intelligence" knew their movements in advance and controlled and reduced their movements. But this kind of group will develop complicated operations and could commit serious crimes.

6. There are problems from religious groups, some of which had expanded their membership and built their own empires and appointed themselves as new leaders, such as the Samnak Hubpa Sawan group which expanded its activities to collecting war weapons. Even now, officials try to control them, but they still move secretly.

In addition, there are faith groups who refer to different religious teachings for their movements. For example, the New Promise Christian group, Yo Ray denomination, who operate under the name of the Public Merit Foundation which has secret connections with the movements of the same group in several countries

7. There are problems with agriculture and agricultural products. Thailand now is facing the problem of low prices for agricultural products (which has been a chronic problem every season), especially for rice, sugar, and sugarcane. These problems have a tendency to recur which causes dissatisfaction among the farmers. There are movements and fights all the time which allow other groups that benefit to interfere and to exert pressure. If the interference creates a serious conflict, there might be murders of some of the people concerned. "This kind of thing happens all the time in every harvest season for each crop."

8. There are specific problems which seriously affect both society and the economy, for example, arson at the tantalum factory, Phuket Province. It is likely that the government will continue to face this kind of situation while building the cable car to Doisutep, destroying the slums to build new cities, and exercising eminent domain to construct roads, etc.

Law Guides Politics Everyay Violence Is More Serious

The analysis of the police department's eight situations are that they are things that happen all the time. In the past, the "police" emphasized solving these problems through legal suppression and by arresting lawbreakers, without thinking about the effects. It is accepted that "laws" were not only used to maintain security and solve problems in the end, but they also were stimulants for unrest and increased violence. Moreover, the police usually apply the law only to the lower-level criminals or to the innocent rather than to the important ones.

Power groups move as groups and their movements will expand.

At the same time "intelligence work" of the "city police" was conducted under limitations; it could not investigate "internal" operations especially of the powerful groups which have "politically influential" members. This is usually a bitter pill in terms of influencing movements of the people, worsens the situation, and creates political violence.

Watching the Five Groups Diplomatically

"The city police" must be the agency which has the most perilous duties because the nation's problems have accumulated in an "unventilated corner."

Usually the city police's "intelligence work" is accomplished in two ways, that is in an open manner with the police openly identified and enforcing the law which is used in open investigations; the other way is undercover work to acquire the most accurate information. The new "intelligence development" of the police department will emphasize how to acquire information in order to come up with a plan for prevention. It will emphasize intellilgence acquisition through the people or through infiltration of target groups.

Public relations and psychological methods which are used not only in security, crimes, and groups, will increase in importance.

Although the above-mentioned methods cited by Police Major General Kasem Sangmitr are considered to be useful in getting close to the people, the accumulated problems will not be solved through the "psychological methods" of the officials. If action affects and creates trouble for power groups, they will move to pressure the government. Government officials, especially "the police," have more difficulty in doing their jobs, they have to work "diplomatically."

There are five groups, which appear similar, "targeted" by the government. Parts of the groups face severe economic and political problems, they are labor groups, student groups, farmer groups, religious groups, and other groups including terrorists from outside the country. They are entitled to move peacefully to attract the government's attention to the problems and trouble.

Dissecting 4 Years of Intelligence Work Penetrating the Core of the Targeted Groups

The intelligence development plan of the police department mentioned developed the efficiency of the intelligence officer, analysis, building sources of information in the targeted groups project, penetrating the important people in the targeted group project, equipment development project, and development of coordination with other intelligence agencies. The amount budgeted for 1988-91 is 50,583,200 baht, and the normal city police force will be used.

In acquiring intelligence, the official will be sent to communicate with and persuade people in the target groups to be sources of information for the government. One hundred people per year are targeted, 50 become temporary sources who will be trained and tested until 25 become permanent sources of information. After that, there will be step-by-step examinations of the sources to check access and reliability. A source of information will be compensated 500 baht per week.

Assuming that the power groups have powerful people who lead their movements, whether the movement will be violent or not depends upon penetrating the group and establishing a personal relationship with those leaders. It is essential to establish such a project to prevent further problems. The city police well meet and exchange ideas and information as well as build acquainance with the leaders of the groups twice a month.

The training of the city police is divided into 3 curriculums: 1. curriculum for commissioned offices, 10 persons per class, 1 class per year; 2.

curriculum for noncommissioned officers, 20 persons per class, 2 classes per year; 3. analysis curriculum, 10 persons per class, 1 class per year.

For the intelligence coordination project, lecturers will be sent to train intelligence officers at provincial police commands I, II, III, and IV; the city police central investigation command; and the border patrol police command. There will be five classes per year. Coordination will be close and continuous.

Enhancing the Abilities of the City Police The Laser Era

Currently, there is equipment development, but the police admit that in the old days "people" were the essence of acquiring intelligence without the aid of modern equipment. For information accuracy, there now is equipment to enhance abilities for coping with terrorism, disasters, and strikes.

The importance of this project can be seen in the budget of the intelligence develoment plan for 1988-91 which has about 50 million baht, of which approximately 26,882,000 baht or more than half is budgeted to acquiring intelligence equipment.

Besides this equipment, there are many kinds of vehicles which have high-wattage receiver-transmitters, night-vision scopes, and night cameras for recording evidence for cases, laser long-range listening devices for listening, within 500 meters, to a room which has windows, stapping devices and receiving devices, microrecorders, and mircowave devices which send pictures and sounds to receiving devices without wire, infrared video camera systems both portable and vehicle-mounted for use day and night, microwave receiving devices, etc.

People With People The Chain Is Easily Broken

Although projects and plans for the police department's intelligence emphasize using equipment, the acquisition of intelligence is the heart of police work in preventing both criminal and national security problems.

It is undeniable that officials need to have "knowledge and understanding" of the problems of the important power groups in society, especially the laborers, farmers, students, and other pressure groups.

If the basic problems of society are not solved properly, the unrest of the power groups will not be stopped although the equipment is very well developed for use in preventing and solving society's problems.

Although nobody wants it, "intelligence" solves the problems after the fact rather than preventing it.

13216/13104 CSO: 4207/94

## NEW PHARMACEUTICALS PATENT LAW DEBATED; OPPOSITION CITED

Bangkok SIAM RAT in Thai 24 Jan 87 pp 1, 14, 16

[Text] Thais are joining forces to go all-out in protesting the pharmaceuticals patent rights. They say that the underdeveloped countries get nothing out of it other than paying the rich countries for their stupidity. Representatives from the International Patent Association are cajoling the Thai to the max. The Pharmaceutical Industrial Association of Thailand is getting nervous. If they give in, there will not be any controls on pharmaceutical prices.

At 0930 on 23 January 1987, Commerce Minister Montri Phongphanit chaired a seminar on patents for new pharmaceuticals arranged by the Department of Commercial Registration and the EEC. The seminar was held in the Siam Intercontinental Hotel's ballroom. Some 120 participants attended from pharmaceutical production and sales sectors, both Thai and foreign.

Mr Montri stated that the patent and trademark systems were important aspects of the nation's trade and industrial development. Thailand has more than 50 trademarks and the Patent Law was promulgated in 1979 incorporating the basic principles from examples we took from the world's intellectual property organization.

He said that Thailand's patent law provides protection for invention and design except for some matters such as for pharmaceuticals where it protects only production methods. As for going on to protect pharmaceutical products and specific items, one must take into account the situation and specific needs along with the national interest.

Miss Sukhon Kanchanalai, director-general of the Department of Commercial Registration, revealed to reporters that in the problem of protecting pharmaceuticals products, various sides have different data and opinions because they view the issue from different stances. Thus, this seminar has taken place in order to allow all sides to voice their opinions and present information.

Reporters said that around 1000 hours, a resource person representing the International Patent Association drew the seminar's attention to the benefits that Thailand would obtain by offering patent protection. The example given was the benefits derived in stimulating technology to a greater degree, encouraging research and development and resulting in pharmaceutical technology transfer, while at the same time increasing the amount of skilled labor as well as creating more job opportunities. Reporters noted that three representatives from the International Patent Association made an appeal to Thai Government agencies concerned with this issue to increase the period of time protection is given to 20 years for drugs coming from Europe, Japan and the United States.

Doctor Waiwut Thanetworakun, a representative from the Association of Thai Pharmaceutical Industries said that if protection is granted to the production of drugs, the prices would certainly increase uncontrollably. Information and reports on studies of patents in Latin America show us that granting patents will destroy the production of domestic raw materials and the trade balance will worsen. Currently, corporations in Latin America have lost approximately 30-40 percent of their pharmaceuticals markets. It has also been found that trade competition ceases and prices rise.

The claim that providing drug patent protection will help to increase investment is not true. Comparison studies conducted with countries which have laws providing patent protection to pharmaceuticals have shown us that there is no R&D investment. He cited the examples of Malaysia, Sri Lanka, Kenya, and Tanzania. Those countries which do not offer protection such as China have shown us that there is increased investment and joint investment. This demonstrates that the heart of the matter concerning investment is the nature of the market, not [patent] protection.

Concerning technology transfer, he pointed out that studies have shown that there are a great many limitations on utilization of use agreements and permits to the extent that the party obtaining permission is unable to benefit from the technology. He cited as an example limits set on exports, limitations on quantities bought and sold, and an unending chain of obligations.

As for the accusation that a lack of pharmaceutical product patent protection would result in a lowering of the country's pharmaceutical standards, he said that this was not true. Our pharmaceutical industry will be strictly controlled by the Ministry of Public Health's Food and Drug Administration.

Doctor Waiwut closed by saying that those who really benefit are the patent holders, but if Thailand were to have a law providing patent protection to pharmaceuticals it would have a great economic impact, with consumers bearing the burden of higher prices. The trade deficit would increase because foreign corporations would be able to increase their market share and would be able to control the entire market in a short time as has already happened in Italy.

Doctor Phawit Thongrot, a specialist from Chulalongkon University's Faculty of Pharmacology addressed the issue of timing. He said that Thailand's patent law would not protect drug products out of economic and social necessity. Most Thais are low-income people. Of the majority of the countries which do not offer patent protection for the pharmaceutical products, 50 percent are in the undeveloped category. Thus, not granting patent protection a type of control mechanism. Doctor Phawit closed by saying that we should not grant patent protection until Thailand develops its industry to the point where we have R&D as a normal state of affairs as a basis for production. In principle, Thailand holds that offering patent protection is to offer protection and benefits of copyright.

Reporters noted that a question-answer session followed. One seminar participant asked about the length of time between a patent's issue and its effectiveness for Thailand. A representative from the International Patent Association answered that developments in countries with newly issued patents take a rather long time but that one could be confident that if patent protection were granted, there would be more people interested in investing in Thailand. This would lead to a greater number of new pharmaceuticals being developed. Another participant asked why it was necessary to protect the drugs themselves more than the patent on the production process. The association representative's answer was that the disadvantage to protecting the production process was that a corporate competitor would be able to concentrate on production and production methods by simply improving on the process without coming up with a new drug product which takes a great deal of research time and investment. Thus protecting the drug itself is more effective than protecting the production process.

/8309 CSO: 4207/135

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## MILITARY AFFAIRS AND PUBLIC SECURITY

## ARMY'S MORALE, CAPABILITIES, COMPLAINTS ASSESSED

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 16 Dec 86 p 12

[Article by Erhard Haubold: "Duty in Cambodia is Unpopular--Old Trucks, Excellent Pilots: Fatigue Readily Visible in Vietnamese Armed Forces"]

[Text] Hanoi, Dec--The North Vietnamese thirst for a bit more in the way of consumer goods. For them, Phnom Penh is Indochina's best department store with its "free" markets and smuggled goods from Thailand. But the war in Cambodia is unpopular. If a son has to be sent to the Chinese border, that is understood as a patriotic duty because it is a matter of defending the homeland against an "old enemy." Cambodia, however, is a foreign country, from which many return as cripples, victims of landmines which the Cambodian Resistance are said to have placed in the millions. Hanoi's announcement that they will pull out their 140,000 "bo doi" stationed in the neighboring country is therefore not just a propaganda maneuver but also a promise to their own populace--and should thus be taken seriously.

With 1.1 million soldiers, the Armed Forces are still the best-organized power center in Vietnam. Anything that the soldiers cannot do cannot be done by anyone else either. Foreign experts praise the "technical genius" with which 30-year-old. Chinese trucks and other worn-out equipment is kept moving. The air force pilots, trained in the Soviet Union and highly motivated, are considered among the best in Asia. They fly Soviet MiG-21's stationed in Hanoi, Da Nang, and Bien Hoa, and, in addition, there are missions into Cambodia with MI-24 helicopters which are based in Ho Chi Minh City (Saigon). There are supposed to be no Soviet military pilots in Vietnam, Cambodia, or Laos. But, at least in the three aircraft of "Air Kampuchea," Russians are sitting in the cockpit. In addition to Vietnamese officers (at the battalion level), the Cambodian Army is "advised" by a few uniformed Soviets, who, of course, reside away from the military units.

China would probably not win a second "lesson," and both sides would fight harder than they did during the first "disciplinary action" of 1979. The People's Army of Vietnam (PAVN) has 12 to 15 divisions of 10,000 men each permanently stationed on the border in the north--a bit less than a third of its entire strength. The equipment is characterized as adequate; the Soviet Union is said to deliver enough. Although the Vietnamese certainly do not have the latest products from Russia, they are still a couple of strides ahead of China. This is especially true with the MiG-21 and MiG-23 squadrons. An officer's academy, equivalent to a university, opened recently. The best sons of the land still always go to the Army, which has a lot of control in Vietnam. Granted, the equipment maintenance is not always the best. At times, accuracy suffers and the service life of the weapons is shorter. Soviet help is estimated at almost a billion dollars annually.

Vietnamese officers report that the fight against the Americans until 1975 cost them an unusually large number of casualties. In the future, they intend to insist on efficient weapons, which have reportedly been acquired since 1979. Even so, the soldiers complain about the insufficient economic advances which make building a modern industrial base just as difficult as modernizing the armed forces. The need for domestic weapons and munitions factories is repeatedly stated. A general wrote in the army newspaper that the "problems in society" have led to "negative effects" in the armed forces and that the "outstanding political qualities" which were observable in the last Indochina War have been "undermined."

As long as support continues to flow generously from the Soviet Union, which recently began financing the training and equipping of the Vietnamese Navy, then the defense expenditures will remain a budget item that socialist Vietnam will be able to manage. The logistical requirements of the PAVN are few; they can do without long columns of trucks because their soldiers have learned, along with shooting, "economic work." For example, half of the "bo doi" at the Chinese border work in the fields, and the situation in Cambodia is quite The third largest standing army in the world is probably not similar. shrinking in size because unemployment is increasing yearly. According to foreign specialists, along with the familiar discipline and motivation, signs of fatigue can be observed. The "War" has been going on now for over 30 years; since the Vietnamese invasion of Cambodia it has been called the "Third Indochina Conflict."

The People's Army defeated the French, Americans, and Chinese, but has just been marking time in Cambodia. Indeed, the PAVN does have excellent "special forces," but they are tied to the Chinese border. Half of the expeditionary corps in Cambodia consists of "decent soldiers," but the other half are "draftees with poor morale," according to foreign observers. Gone is the enthusiasm the Vietnamese officers had after the destruction of the guerrilla camps on the Thai border in 1984-1985. The Vietnamese have certainly not "lost the initiative," as American sources in Bangkok maintain, and the spread also appears to be less severe than the opposition says. of malaria Each year, half the soldiers in the American units in Indochina were affected by the disease, but it affects only 5 to 10 percent of their troops, insist Vietnamese commanders. If enemy reports were believed, the Vietnamese units would have been wiped out long ago--by malaria.

The guerrilla is not a serious military threat. Despite the supposed considerable strength of 40,000 partisans, their accomplishments are few. This will be true even though the resistance, supported with weapons and financial means by China, the ASEAN countries, and the United States, will soon have ground-to-air missiles which could endanger the Vietnamese helicopters: The People's Army can hold out for an extended period in the neighboring country, especially because they are not repeating the mistake of the Americans, who tried to fight the enemy from the air, and enjoy an excellent reputation in Cambodia. Still, the guerrillas have not yet been beaten. They call attention to themselves with bomb attacks, mine explosions, and nocturnal raids on villages, rice storage sites, and markets; and they move freely in parts of Cambodia, strengthening the impression of many Khmer that the government in Phnom Penh lacks stability. Eight years after the "liberation" there is still a security problem. In 1981, foreign journalists could drive a car to the port of Kompong Som in the south or to Angkor Wat in the west. That is no longer allowed today; Soviet experts make all their trips by air.

The longer this condition of uncertainty lasts, the more the Khmer's nationalism can grow. For this reason, also, Hanoi could be seriously committed to a pullout of its troops, and "1990" would be more than a propaganda phrase. Vietnam appears more willing to negotiate than ever, but it is also increasing its military strength. For hundreds of kilometers along the Thai border, a "protective wall" of trenches, bamboo fences, bunkers, and mine fields is being placed, to make partisan infiltration more difficult. Hanoi is counting on the next major attack against guerrillas on Cambodian territory, withheld during the 1985–1986 "dry season," in spring or summer 1987--in conjunction with a spectacular partial withdrawal of Vietnamese troops.

13071 CSO: 4620/7

### INTERNATIONAL RELATIONS, TRADE, AND AID

VIETNAM

### NHAN DAN ON U.S. DECISION ON NEW ZEALAND

BK070309 Hanoi International Service in English 1000 GMT 6 Feb 87

[NHAN DAN 6 February commentary: "U.S. Decision To Strip New Zealand of the Status as an Allied Country"]

[Text] According to information from the U.S. Embassy in Wellington, the United States has just decided to strip New Zealand of the status as an allied country as from 21 June 1987. As a result, New Zealand will not be allowed to buy U.S. weapons at favorable prices as before. Washington made no bones about its saying that the decision was taken in retaliation against the antinuclear policy of New Zealand. This move shows that the U.S. imperialists are very bitter at its small ally in Ocenia. This decision can be described as a muscle-flexing move of a big nation aimed at intimidating those who refuse to obey its command stick. But this is not a decision taken from a strong position.

Stripping New Zealand of the status as an allied country means that the United States admitted its setback in the face of the peace movement, which is constantly developed in this country as well as in other parts of the world. Only in 1985, realizing the danger of nuclear weapons, especially when they are in the hands of warmonger ringleaders of the imperialists, the ruling Labor Party Government of New Zealand headed by Prime Minister David Lange decided to ban all port calls of U.S. warships carrying nuclear weapons to this country.

That decision was warmly welcomed and supported by the people in New Zealand and other coutnries in the region. Angered and worried by the development of the peace movement in the region, Washington tried all means from persuasion to pressure in a big to force New Zealand to give up the antinuclear policy. But prime minister David Lange as well as many other leaders of New Zealand have decalred that no pressure can force New Zealand to allow the United States to bring nuclear weapons into New Zealand. But New Zealand would rather be ousted from ANZUS than give up its anitnuclear policy. On 2 December 1985, the New Zealand Governemtn adopted a law banning all port calls of foreign ships carrying nuclear weapons. On 10 December 1985, the New Zealand Parliament gave Prime Minister David Lange the right to ban all nuclear-powered or nuclear weapon-carrying U.S. warships from entering the ports of this country and declared that the New Zealand Army is not allowed to acquaint itself with or store nuclear weapons of other countries. Speaking at the 41st session of the UN General Assembly in September 1986, the New Zealand delegation emphasized that New Zealand would never allow the deployment of of nuclear weapons on its territory. In November 1986, New Zealand ratified the treaty on setting up a nuclear-free zone in the South Pacific, an important step leading to arms control. It was the seventh country to have ratified the treaty on banning the production, deployment, and testing of nuclear weapons in the South Pacific.

The Labor Party of New Zealand also welcomed the New Delhi declaration on nuclear disarmament signed by the group of six countries. It voiced its support for effort aimed at turning the Indian Ocean into a zone of peace and rejecting the participation in the U.S. Strategic Devense Initiative program. New Zealand's policy of peace and opposition to nuclear weapons stems from its independent and sovereign stand, which is consistent with justice and conscience. It is contrary to the Pentagon strategy of turning Asia and the Pacific into a huge nuclear missile base and turning countries in the region into hostages.

This arrogant action of the United States shows that Washington still pursues the policy of nuclear buildup against mankind aspiration to live on this planet without the threat of this mass destruction weapon. NHAN DAN emphasizes that the United States cannot impose its policy of war on any nation that stands for peace and security. The United States cannot force New Zealand to bow at its will, the paper concluded.

#### VIETNAM

## INTERNATIONAL RELATIONS, TRADE, AND AID

## POWER PLANT BUILT WITH SOVIET ASSISTANCE

OWO707939 Hanoi VNA in English 0714 GMT 7 Feb 87

[Text] Hanoi VNA 7 February--The Dong Nai River was completely sealed on 12 January at a place about 50 kilometres north of Ho Chi Minh City to form a reservoir of 2.8 billion cubic metres for the 40,000 kw hydro-electric power project.

The project, known as the Tri An hydro-electric power plant, will be the biggest of its kind in southern Vietnam. It is being built with Soviet assistance and its first generator group is scheduled to be operative by the end of this year.

"We are very glad to learn that our work has been recognized as being of highquality by the Auditing Council of the state," said Luong Vien, director general of the project, at a meeting with this reporter. He recalled that it had taken more than 10 years to build the 100,000 kw Thac Ba hydro-electric plant in northern Vietnam during the war. "Today we need only 45 months to build the first generator group with a capacity equivalent to Thac Ba," Luong Vien went on, adding that "this shows both our own effort and the devotion of Soviet specialists."

The Dong Nai River has its source from the Lam Vien plateaux in central Vietnam. Its uppermost part has already been put to use with the Japanese-built Da Nhim hydro-electric plant of 100,000 kw. Besides Da Nhim and Tri An, seven other portions of the river can be tapped. Other projects are expected to start soon. They include a 100,000 kw power plant at the Mo Falls in Song Be Province and another power plant of 400,000 kw at below Da Nhim. In short, about 1.5 million kw can be had from the Dong Nai River and other existing thermo-electric power plants in the south.

The execution of the Tri An project is jointly undertaken by many construction units. Nguyen Cao Tam, deputy director general of the Dau Tieng reservoir project financed by the World Bank, Holland, OPEC and Kuwait to water 172,000 hectares of crop fields from Ho Chi Minh City to Tay Ninh Province, noted with satisfaction the rapid progress and high quality at Tri An.

"We have gained much experience and are ready to harness the Dong Nai River at other places," said Ngo Binh Doan, one of the men responsible for the reservoir and the 65-metre-high dam. More than 10 years ago, he was among the engineers

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who were testing the ground for the Hao Binh hydro-electric power plant in northern Vietnam. This project, being built on the Da River, is designed for 1.9 million kw.

To build the spillway, more than 160,000 tons of concrete have been laid and that was done in one-tenth of the time. Said Nguyen Huy Tran, director of the Tri An concrete enterprise: "The river will make very big contributions to the development of southern Vietnam. I believe that with wholehearted assistance of the Soviet Union and with the industry and creativeness of Vietnamese engineers and workers, we can quicken the rate because it is our common objective to help promote production and improve the people's life."

/12232 CSO: 4200/327

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VIETNAM

VEGETABLE, FRUIT EXPORTS TO SOVIET UNION REPORTED

Hanoi NHAN DAN in Vietnamese 8 Dec 86 p 3

[Article by Thinh Giang: "New Changes in the Export Vegetable and Fruit Sector"]

[Text] To greet the Sixth Congress, the export vegetable and fruit sector is entering a period in which it is delivering huge quantities of goods. It is striving to meet the schedule for exporting goods to the Soviet Union. Shiploads of oranges are on their way from Haiphong to Vladivostok, concluding a season with a record yield of 3,374 tons, which is an increase of 1,074 tons over the same time last year. Our friends have rated the goods very highly. Telegrams from the Soviet Union have informed us that the payment rate is 94 percent, with some ships reaching 97 percent (previously, the rate never exceeded 80 percent). Losses during transport have declined 20 percent, which means that there is an additional quantity of notable size to satisfy our needs and the needs of our friends.

In order to have increased amounts of goods of better quality, the Vegetable and Fruit Export General Corporation has coordinated things closely with the various sectors, coordinating everything from harvesting to shipping and receiving. The Export Vegetable and Fruit Shipping and Receiving Corporation has monitored shipping schedules closely, actively created sources of goods, and expanded the formula of transferring 50 percent of the goods directly to the ships without storing them in storehouses. Haiphong Port has opened additional entrances from the open-air storehouses to the wharfs to reduce the distance. For many years, the goods had to be driven 5 or 6 km, but now the goods have to be moved only 600-700 meters. The Vegetable and Fruit Shipping and Receiving Corporation has employed additional stevedores, which has reduced the time it takes to unload the ships from 5 days to only 3 and 1/2 days.

During the busy days of shipping goods, many trucks transporting oranges from the state farms in Nghe Tinh, Thanh Hoa, and Ha Son Binh can be seen parked along the Luong Khanh Thien highway. Sometimes there are as many as 60 or 70 trucks. It takes the trucks 3 days to make one trip.

During the vegetable export season, there must be a stable source of goods. The Vegetable and Fruit Export General Corporation, together with the

localities, has delineated and built export vegetable zones. The materials that are supplied in advance, such as seed, fertilizer, and wrappers, have been transported to Hai Hung, Ha Nam Ninh, Thai Binh, and Ha Bac provinces. Haiphong has set aside almost 400 hectares in four suburban districts, Thuy Nguyen, An Hai, Do Son, and Kien An, to grow cabbage for export. In the fields in An Hai and Thuy Nguyen, the cabbage is about ready to be harvested. Hundreds of cadres subordinate to the Haiphong Export Goods Business Corporation have gone to the localities in order to help the farms fulfill the export norm of 1,500 tons of cabbage during December (never before has the corporation exported more than 1,000 tons). In order to export 6,000 tons of cabbage, Haiphong must ready up to 400,000 baskets. Many suburban districts have actively produced wrappers using local raw materials. Besides this, many rafts and baskets are arriving at the port from mountain and lowlands provinces in order to promptly transport the first export vegetables in December.

Overcoming the difficulties, the vegetable and fruit export sector has expanded the sources of goods and improved product quality in order to speed up the Haiphong to Vladivostok runs, increase the shipping and receiving of vegetables and fruit between us and our friends, and strengthen Vietnamese-Soviet friendship.

11943 CSO: 4209/239

#### VIETNAM

## LAO'S PASASON MARKS INDOCHINESE CP ANNIVERSARY

OWO60831 Hanoi VNA in English 0723 GMT 6 Feb 87

[Text] Hanoi VNA 6 February--The Lao national paper PASASON has highly praised the tradition of heroic struggle of the Indochinese Communist Party, which was founded and trained by the late President Ho Cho Minh.

In a recent article marking the 57th anniversary (3 February) of the ICP, the predecessor of the Communist Party of Vietnam, the Lao People's Revolutionary Party and the People's Revolutionary Party of Kampuchea, the paper extolled the time-honoured militant solidairty among the three Indochinese peoples under the leadership of their respective parties in the common struggle against the imperialists and colonialists, and for national salvation. It noted that continuing the glorious tradition of the ICP, the three parties of Vietnam, Laos and Kampuchea had over the past decade successfully led their respective peoples to overcome all difficulties and trials, steadily advancing to socialism and firmly defending their homelands.

"The achievements recorded by the peoples of Laos, Vietnam and Kampuchea," PASASON stressed, "are victories of Marxism-Leninsim and of the correct line of the three fraternal Indochinese parties. They are also "substantial contributions to strengthening and raising the position of socialism in the Indochinese peninsula in the struggle for peace, national independence, democracy and social progress, "the Lao paper concluded.

# INTERNATIONAL RELATIONS, TRADE, AND AID

VIETNAM

# FOREIGN LEADERS GREET TRUONG CHINH ON BIRTHDAY

OW101606 Hanoi VNA in English 1501 GMT 10 Feb 87

[Text] Hanoi VNA 10 February--Lao, Kampuchean, Cuban and Mongolian leaders have sent their greetings to president of the State Council Truong Chinh on his 80th birthday.

The message from Lao Acting President Phoumi Vongvichit said that the Lao people considered Truong Chinh an outstanding revolutionary who has greatly contributed to strengthening the militant solidarity, special relations and comprehensive cooperation between the two countries and peoples and among the trhee Indochinese countries.

The message from Kampuchean President Heng Samrin said that President Truong Chinh would forever serve as a symbol of strength of the development of the militant solidarity and cooperation between the Vietnamese and Kampuchean parties, governments and peoples.

Cuban President Fidel Castro Ruz's cable praised President Truong Chinh's total devotion to the cause of national liberation as an example of the persistent revoltuionary spirit. It also highly valued his contributions to strengthening the friendship and militant solidarity between Vietnam and Cuba.

For his part, Mongolian Chairman Jambyn Batmonh said that the Mongolian people noted with pleasure President Truong Chinh's contributions to developing and strengthening the fraternal friendship and close cooperation between the parties governments and peoples of Vietnam and Mongolia.

## INTERNATIONAL RELATIONS, TRADE, AND AID

#### VIETNAM

## CPVCC GREETS PALESTINE COMMUNIST PARTY

OWO92048 Hanoi VNA in English 1458 GMT 9 Feb 87

[Text] Hanoi VNA 9 February--The Central Committee of the Communist Party of Vietnam today sent its warm greetings to the Central Committee of the Palestine Communist Party on the 50th PCP anniversary.

The message says:

"The communist party and people of Vietnam have always followed with profound sympathy and firmly supported the struggle of the Palestinian Communists and people against imperialism and Zionism, for their fundamental national rights including the rights to repatriation, to self-determination and to establish a national independent state of their own under the leadership of the Palestine Liberation Organization (PLO), the legal representative of the Palestinian people.

"We highly appreciate the active contributions of your party, in coordination with other progressive forces, to restoring the solidarity and unity in the resistance movement against the enemy's schemes and acts with a view to defending and unceasingly developing the struggle for the liberation of Palestine.

"We firmly believe that the glorious revolutionary cause of the Palestine communist party and people, in spite of many difficulties and trials, will surely obtain final victory."

In conclusion, the message reaffirms the Vietnamese party and people's unswerving solidarity with and support for the struggle of the Palestine party and people and wishes the friendship and cooperation between our two parties and peoples further consolidation and development.

### BRIEFS

GREETINGS FROM BOLIVIA--Comrade Simon Reyes, general secretary of the Bolivian Communist Party Central Committee, recently sent a congratulatory message to Comrade Nugyen Van Linh, general secretary of the CPV Central Committee. The message reads: On behalf of the communist and Central Committee of the Communist Party of Bolivia, I would like to convey my warm congratulations to you on the occasion of your election as general secretary of the Central Committee of the CPV, a glorious fraternal party founded by Comrade Ho Chi Minh. I wish you good health and many great successes. Please accept my salutation of friendship. [Text] [Hanoi Domestic Service in Vietnamese 1430 GMT 6 Feb 87 BK] /12232

GREEK COMMUNIST PARTY GREETINGS--The Central Committee of the Greek Communist Party has sent a congratulatory message to Comrade Nguyen Van Linh on his election as General Secertary of the CPV Central Committee. The message says: Dear esteemed Comrade Nguyen Van Linh: On the occasion of your election as general secretary of the CPV Central Committee, the Greek Communist Party Central Committee conveys to you its warm greetings and best wishes. We wish you, edteemed comrade, good health to work creatively to score new achievements in building socialism and implementing the resolutions of the Sixth CPV Congress for the Vietnamese people's happiness and for the total victory of peace and socialism. We strongly believe that the long-standing fraternal friendship between our two parties will be further consolidated and developed in the mutual interests of our two parties and peoples. [Text] [Hanoi Domestic Service in Vietnamese 1100 GMT 7 Feb 87 BK] /12232

CSSR SIGNS AGREEMENT--The Quang Trung exhibition-fair organizing corporation and the Czechoslovak external trade corporation have signed a document in Ho Chi Minh City under which the Quang Trung exhibition-fair organizing corporation will participate in a 1987 fair to be organized in Bratislava, a city that has established sisterhood [with Ho Chi Minh City], and the Czechoslovak Exhibition Fair Corporation will take part in the Quang Trung exhibition fair to be organized in the spring of 1988 where a wide range of chemical products designed to support agricultural, forestry, fishery, and commodity production will be displayed. [Text] [Hanoi Domestic Service in Vietnamese 2300 GMT 7 Feb 87 BK] /12232

CASTRO GREETS TRUONG CHINH--Comrade Fidel Castro Ruz, chairman of the Republic of Cuba's Councils of State and Ministers has sent a greeting message to Comrade

Truong Chinh, chairman of the SRV Council of State, on the latter's 80th birthday. The message says in part: The example of your life-long devotion to national liberation has become a model for the persistent spirit of the revolutionary. We highly value your great contribution to strengthening the friendship and militant solidarity between our two nations, parties, states, and governments. [Text] [Hanoi Domestic Service in Vietnamese 1430 GMT 8 Feb 87 BK] /12232

NEW ZEALAND GREETED--President of the State Council Truong Chinh and Chairman of the Council of Ministers Pham Van Dong today sent a congratulatory message to Paul Reeves, governor-general and David Lange, prime minister and minister of foreign affairs on the occasion of the National Day of New Zealand. Foreign Minister Nguyen Co Thach, for his part, has sent a message of greetings to David Lange. [Text] [Hanoi VNA in English 1257 GMT 5 Feb 87 OW] /12232

IUS PRAISES PEACE INITIATIVES--Hanoi, VNA, 5 February--The Indochinese countries' constant efforts to turn Southeast Asia into a zone of peace, stability, friendship and cooperation were exalted at a recent conference of the Executive Committee of the International Union of Students (IUS). The participants in the conference held in late Janaury in Addis Ababa, capital of Ethiopia adopted a resolution acclaiming the peace initiatives of the countries in Asia and the Pacific, particularly the New Delhi declaration calling for stepping up the struggle for a world free from nuclear weapons and the use of force. The conference reiterated the world students' full support for the struggle of the people and students of Vietnam, Laos and Kampuchea for a correct political solution to regional issues through dialogue and talks between neighbouring countries on the basis of respect for the people's right to choose their own ways for social and economic development. [Text] [Hanoi VNA in English 1458 GMT 5 Feb 87 OW] /12232

UN OFFICIAL TO VISIT--Hanoi, 5 February (AFP)--The deputy secretary general of the United Nations, Ahmed Rafeeuddin, is to visit Vietnam at his own request for 2 days from Monday, a spokesman for the Foreign Ministry here said Thursday. Spokesman Trinh Xuan Lan said Mr Rafeeuddin would have working meetings with the Vietnamese foreign minister, Nguyen Co Thach. Mr Lan did not say what the purpose of the deputy secretary general's visit was, but sources close to UN organizations represented here said he would discuss Cambodia. [Text] [Hong Kong AFP in English 1657 GMT 5 Feb 87 BK] /12232

ANTIBIOTIC WORKSHOP STARTS CONSTRUCTION--Hanoi VNA 7 February--Construction of a workshop for the experimental production of antibotics started in Ho Chi Minh City on Thursday. When completed in 1990 as scheduled, the workshop to be built and equipped with Soviet assistance will produce 5 tons of antibiotics a year. The workshop will also be an antibiotic research centre for the whole country. [Text] [Hanoi VNA in English 0724 GMT 7 Feb 87 OW] /12232 COOPERATION WITH PHNOM PENH--Hanoi, VNA, 7 February--Ho Chi Minh City and Phnom Penh last year developed their multifaceted cooperation in scope and scale. 1986 Ho Chi Minh City helped Phnom Penh build 10 major projects including a radio station which was inaugurated on the eighth National Day of the People's Republic of Kampuchea, a paper mill with an annual capacity of 300 tons, and 200,000-ton storehouse. Economic integration in industry, small industry, handicrafts, agriculture, fishery and transports has been practised in 13 btanches of Ho Chi Minh City and Phnom Penh. The Phnom Penh shipyard was restored with the help of Ho Chi Minh City. With the assistance of workers from Ho Chi Minh City, last year Phnom Penh built a 100 ton barge. The cooperation also covered the tanning industry and leather making. The Vietnamese city helped Phnom Penh build an emporium and a new shopping centre. In 1986 Ho Chi Minh City sent its experts to Phnom Penh and trained Kampuchean personnel in mass media, and cultural, educational and healthcare fields. [Text] [Hanoi VNA in English 0731 GMT 7 Feb 87 OW] /12232

USSR FREIGHTER GIFT--Hanoi, VNA, 7 February--A 7,500-ton freighter was sent to the Vietnam General Department of Ocean Line as a gift of the Soviet Union's merchant service. Over the past years, Vietnam has received several Soviet freighters ranging from 2,650 to 7,500 tons. The Soviet freighter formerly called Ivan Pavlov has been renamed Song Hong 1. It will join Vietnam's merchang fleet now operating around the world. [Text] [Hanoi VNA in English 1504 GMT 7 Feb 87 OW] /12232

POLISH ECONOMIC DELEGATION VISITS--Hanoi, VNA, 7 February--An economic delegation of the Polish United Workers' Party (PUWP) Central Committee visited Vietnam from 27 January-7 February. During its stay here, the Polish guests had working sessions with Vietnamese economists under the CPV Central Committee's Economic Commission. They paid a tribute at the Ho Chi Minh mausoleum, and called at some economic establishments in Hanoi, Haiphong and Ho Chi Minh City. [Text] [Hanoi VNA in English 1506 GMT 7 Feb 87 OW] /12232

TRUONG CHINH GREETED--Hanoi VNA 8 February--State Council President Truong Chinh has received greetings on his 80th birthday from Gustav Husak, general secretary of the Communist Party of Czechoslovakia Central Committee and president of the Czechoslovak Socialist Republic. In his message, Gustav Husak valued highly the role played by Truong Chinh in the revolutionary struggle of the people and the communist party of Vietnam, and in the development of cooperation between the two countries. [Text] [Hanoi VNA in English 0729 GMT 8 Feb 87 OW] /12232

LEBANESE CP LEADER CONGRATULATED--Hanoi VNA 9 February--General Secretary of the Communist Party of Vietnam Central Committee Nguyen Van Linh today extended congratulations to George Hawi on his re-election as general secretary of the Central Committee of the Lebanese Communist Party. The congratulatory message wished the Lebanese party leader the best of health and success in his noble mission. It also wished for further development of the friendship between the two parties and peoples of Vietnam and Lebanon. [Text] [Hanoi VNA in English 1505 GMT 9 Feb 87 OW] /12232

LANDLESSNESS IN RURAL ASIA--Hanoi VNA 10 February--An expert consultation on landlessness in rural Asia was held here from 7-9 February by the Centre for

Integrated Rural Development for Asia and the Pacific (CIRDAP) with the assistance of the Food and Agriculture Organization (FAO). It was attended by representatives of FAO, CIRDAP, the Asian Non-Governmental Organization Coalition (ANGOC) and CIRDAP member countries including Laos, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand, and Vietnam. Vietnamese Minister of Agriculture Nguyen Ngoc Triu spoke at the opening session. The participants heard and discussed reports on six national research projects carried out by CIRDAP in 1986 on landless peasants in Bangladesh, Indonesia, Nepal, Pakistan, the Philippiens and Thailand. They also visited a number of agricultural establishments and rural areas in Vietnam. [Text] [Hanoi VNA in English 0707 GMT 10 Feb 87 OW] /12232

IRANIAN NATIONAL DAY--Hanoi VNA 10 February--Vietnamese leaders today extended their greetings to Iranian leaders on the occasion of the eighth National Day of the Islamic Republic of Iran (11 February). In their joint message to religious leader Ayatollah Ruhollah Khomeyni, President Hojjat ol-Eslam Seyyed 'Ali Khamane'i, and Prime Minister Mir Hoseyn Musavi, president of the State Council Truong Chinh and Chairman of the Council Ministers Pham Van Dong wished the friendly relations between Vietnam and Iran constant consolidation and development. On this occasion, Minister for Foreign Affairs Nguyen Co Thach has also sent a message of greetings to his Iranian counterpart, 'Ali Akbar Velayati. [Text] [Hanoi VNA in English 1457 GMT 10 Feb 87 OW] /12232

VANUATUAN TYPHOON LOSS CONDOLED--Hanoi VNA 11 February--Chairman of the Council of Ministers Pham Van Dong today extended his sympathies to the prime minister of the Republic of Vanuatu, Walter Hadye Lini, over the losses caused by typhoon Uma, especially to the capital city, Port Vila. [Text] [Hanoi VNA in English 1511 GMT 11 Feb 87 OW] /12232

SRV, CUBA SUGAR AGREEMENT--Hanoi VNA 11 February--An agreement on the cooperation between Vietnam and Cuba in developing sugar cane growing and sugar industry was signed here yesterday. Signatories were Nguyen Minh Thong, vice minister of foodstuff industry, and Mairo Travieso, vice president of the Cuban State Committee for Economic Cooperation. The signing was witnessed by Do Muoi, Politburo member of the Communist Party of Vietnam Central Committee and vice chairman of the Council of Ministers, and Armando Saucedo, Cuban ambassador to Vietnam. Earlier, the Cuban guests has been received by Vice Chairman Do Muoi who thanked the Cuban party and government for their valuable assistance and effective cooperation. He said he was convinced that with Cuba's assistance, especially the direct assistance from the Cuban Ministry of Sugar Industry, vietnam's sugar industry will see important progress in the coming period. [Text] [Hanoi VNA in English 1514 GMT 11 Feb 87 OW] /12232

SOVIET ENVOY HOLDS TALK--Hanoi VNA 11 February--"The plenary session of the Central Committee of the Communist Party of the Soviet Union in January 1987 has laid the ground for further steps forward in the renovation process and the improvement of the personnel policy in conformity with the requirements in the new period," said Soviet Ambassador K.I. Kachin in a talk here today. He highlighted the main contents of the report entitled "On the CPSU's Renovation and Personnel Policy" presented by Party General Secretary M.S. Gorbachev at the Plenum. Ambassador Kachin stressed that this session was a major political event in the CPSU life as well as in the social life of the Soviet people. Present at the talk were representatives of the Foreign Ministry, the International Department and the Commission for Information and training of the Communist Party of Vietnam Central Committee, the Vietnam-USSR Friendship Association, and mass media workers in Hanoi. [Text] [Hanoi VNA in English 1517 GMT 11 Feb 87 OW] /12232

FOREIGN LEADERS SEND GREETINGS--Hanoi VNA 11 February--On the occasion of his 80th birthday, President of the Council of State Truong Chinh has received greetings from Wojciech Jaruzelski, first secretary of the Polish United Workers' party and President of the Council of State of Poland; Erich Honecker, general secretary of the Socialist Unity Party of Germany and Chairman of the Council of State of the German Democratic Republic; Pal Losonczi, president of the Presidential Council of the Hungarian People's Republic; Jambyn Batmonh, chairman of the Presidium of the People's Great Hural; and Nicolae Ceausescu, president of the Socialist Unity Party of Germany (SED) and the Council of State of the GDR have decided to confer the Karl Marx order on President Truong Chinh. [Text] [Hanoi VNA in English 1524 GMT 11 Feb 87 OW] /12232

CSO: 4200/327

#### PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

## DONG THAP REVIEWS 1981-85 ACCOMPLISHMENTS

Hanoi NHAN DAN in Vietnamese 5 Dec 86 p 3

[Party Building column: "The Economic-Social Situation and Missions of the Dong Thap Party Organization"]

[Text] In evaluating the situation between 1981 and 1985, the report of the executive committee of the Dong Thap party organization brought out the following:

During the past 5 years, the echelons and sectors have concentrated on leading and developing a spirit of self-reliance, dynamism, and agriculture increased the areas, yields, and outputs of the winter-spring and creativity, summer-fall rice crops, and increased the ratio of the quickly maturing rice area from 49 percent in 1981 to nearly 63 percent in 1985. The province's area from the province's by more than 50 percent. Although inundated during 6 The province's rice output increased by more than 50 percent. months of the year, the province made all-out efforts to increase the ratio of short-term industrial crops from 4.5 percent in 1981 to 6.4 percent in 1986 (in comparison to the total cultivated area). Two crops, peanuts and sesame, A number of places have grown have begun to be grown in the Hong Ngu area. soybeans and mung beans in light alum soil, and have begun to attain good yields, and have created the capability to expand the growing of short-term industrial crops and gradually overcome the situation of "rice monoculture" in the interior areas.

In comparison to the resolution of the third provincial party organization congress, rice and soybeans surpassed the plan norms; rush and sugarcane almost attained the plan norms; and mung beans fell short of the plan norms. In comparison to 1981, the number of hogs did not increase and amounted to only 60 percent of the norm. The numbers of water buffaloes, cattle, and ducks increased but fell short of the plan.

Fresh-water shrimp and fish began to develop. Recently shrimp, a product with high export value, began to receive attention and extensive investment by the people.

The province made all-out efforts to increase the value of industrial output by more than 200 percent in comparison to 1981 and attained 118 percent of the norm set by the third congress of the provincial party organization. The small industry-handicrafts sector developed relatively well.

The communications-transportation, posts and telecommunications, and electric power sectors made advances, were gradually expanded, and focused on the rural areas in the interior.

Since 1981 the province has dug and dredged 425 kilometers of large and small canals, carried out major repairs on interprovincial roads 30 and 80, completed the Cao Lanh-Thap Muoi, Tan My-Vinh Thanh, and An Long-Tram Chim roads, built 15 permanent bridges, and completed the construction of the frozen foods interprise, the provincial machine shop, etc.

With regard to circulation and distribution, socialist commerce is gradually gaining control of the social market. Marketing and credit cooperatives were formed by collectives and joint collective and have served to promote production, control goods, and distribute goods to the consumers. However, there are still many problems in circulation and distribution.

With regard to living conditions, culture, and society, during the recent period the province was twice affected by major natural disasters, but because production developed and the circulation of goods was expanded, the people's living conditions were essentially stabilized.

Attention was paid to teaching and study in the general schools, the supplementary education schools, the advanced schools, and the on-the-job specialized middle schools, with regard to both quantity and quality. The physical education and sports movement was promoted and the provincial, district, and regional hospitals public health clinics, and maternity clinics were improved or built. The villages eliminated a number of epidemics in a timely manner. More attention was paid to the planned parenthood campaign. Because of the shortage of medicine, the eastern and western medicine production installations made all-out efforts to produce a number of ordinary medicines and thus were able to ameliorate to a certain extent the people's difficulties regarding medicine and medical care. The activities of the Red Cross at all levels had a good effect.

The scientific-technical work received more attention in the part, especially in agriculture, such as changing the growing seasons, using new varieties, improving and using alum soil, etc.

The report pointed out that there were still many deficiencies. Economic, cultural, and social transformation and construction have not kept up with the requirements and actual capabilities, and many problems re being posed which require postiive resolution.

The working people, especially the cadres, workers, civil servants, and members of the armed forces, are still encountering many difficulties in their lives.

The primary reason for those deficiencies is that the echelons in the province do not yet fully understand the mass viewpoints of the party. Bureaucratism, commandism, arrogance, corruption, the waste and loss of public property, and the lack of a sense of responsibility on the part of some cadres and party members are still serious problems and affect the confidence of the masses in the party.

Guidance and management are very weak and inspection and supervision, as well as preliminary recapitulation to gain experience in order to rapidly multiply advanced models are not carried out on a permanent basis. Economic thought, organization, and working methods have not yet been renovated, and conservatism and inertia are still rather widespread among leadership cadres.

The economic-social missions for the next 5 years (1986-90):

With regard to agriculture, the province must concentrate to a high degree on the conditions necessary to develop agriculture comprehensively (agriculture, forestry, and fishing, combined with the processing industry). Efforts will be made to attain by 1990 a total paddy output of 800,000 tons (a per capita average of 600 kilograms a year), more attention will be paid to intensive cultivation, expand the quickly maturing rice area with high-yield varieties, gradually reduce the 10th month rice area (including floating rice), and make the winter-spring rice crop a principal crop.

By 1990 the ratio of short-term industrial crops, especially export crops, to the over-all cultivated area will double. By all means, a number of crops will be grown in 10th month rice fields. Concentrated industrial crop areas will be created, even in the Dong Thap Muoi area. Fruit orchards will be developed into areas growing fruit for export, and 300,000 to 400,000 additional hectares of coconuts will be planted, mainly on residential land.

About 10,000 additional hectares of cajeput will be planted, according to plan, in the Tram Chim and Go Thap areas and north of the An Phong-My Hoa canal, effective steps will be taken to protect, and fight fires in, the concentrated cajeput areas, and land will be assigned to the production collectives and joint production collectives for growing cajeput.

The state farms will be strengthened so that they can serve as the hard core in developing Dong Thap Muoi. The raising of livestock and poultry will be encouraged and number of animals raised by families and collectives will be rapidly increased. During the next few years the state installations will concentrate on providing veterinary medicine and new breeds, and on preventing and eliminating diseases. With regard to hogs, the province and districts must build complete commercial installations, including facilities for processing animal feed in order to invest in livestock raising.

The province will reorganize the raising, catching, and processing of aquatic products. The raising of lobsters and fish for export will be encouraged. The raising of fish in rivers and fields will be more strongly developed, accompanied by the good protection of aquatic products resources. Units will be set up to catch shrimp and ocean fish, and artificial insemination hatcheries (for blue crayfish, "bong tuong" fish, and bleeker fish) will be built.

With regard to industry, small industry, and handicrafts, the principal direction will be to strengthen the machinery, communications-transportation, and posts and telecommunications sectors, the electricity grid will be expanded into the interior areas, and the installations producing construction materials, exploiting energy (peat and methane gas), processing agricultural, forestry, and aquatic products, and producing essential consumer goods will be strongly developed. Attention will be paid to consolidating and developing the industrial installations in the province so that they can be state Efforts will be made to sufficiently strong to lead the way for each sector. increase the value of industrial, small industry, and handicrafts production from the present 76 million dong to between 140 and 150 million dong by 1990 (calculated on the basis of fixed 1982 prices) and to increase its ratio from 18 percent in 1985 to 24 to 25 percent by the end of the plan period (of the total value of industrial and agricultural production in the province). time of the Transportation capacity will be increased, the turn-around water-borne additional and sector will be increased, transportation transportation facilities will be purchased, including north-south ocean-going Rational electricity distribution will be organized, with priority vessels. being given to production all-out economizing will be exercised in the use of electricity in daily life, and accidents involving electricity will be The quality of communications and posts will be improved, rapidity, reduced. accuracy, and lack of losses will be ensured, and the people's postal needs will be met more and more fully.

With regard to capital construction, an appropriate amount of capital will be set aside for investment in agriculture and water conservanct, with concentration on developing Dong Thap Muoi. Attention will be paid to setting up state farms, state forests, and fishing installations in Go Thap and Tram Chim, and the material bases of the state farms will be further consolidated and developed. The construction of small and medium water conservancy projects will be promoted to serve irrigation in the concentrated industrial crop areas, expand the quickly maturing rice area, and prevent fires in the aloe-growing areas.

The provincial and area machinery installations (Thach Hung, Tam Nong, and Cao Lanh) were completed. The production capacities of the Bich Chi, Sa Giang, and frozen shrimp enterprises will be developed, many brick and tile kilns will be built, and attention will be paid to developing local sources of raw materials.

The province will do a good job of supplying and draining water and of providing electricity, and will expand and repair the roads in the outskirts of the cities of Sa Dec and Cao Lanh. In Cao Lanh city, after the plan is reviewed the province will build the technical infrastructure projects, especially granaries. In 1987 the outdoor storage of rice must be ended. The scientific research installations and professional schools will be strengthened and an in-service cade training center will be built. Efforts will be made to renovate, repair, and build additional schools, classrooms, medical clinics, and village maternity clinics in order to meet the educational needs of students and the medical needs of the people by 1990. We will continue to expand the planned parenthood movement. Efforts will be made to reduce the rate of population increase in the province from 2.2 percent in 1980 to 1.7 percent in 1990. The two cities in the province must endeavor to lower the rate to 1.5 percent.

The family econmy will be strongly encouraged in both the urban and rural areas by means of rational policies regarding prices, investment, state purchasing, and marketing.

Each locality must show all-out concern for the people's housing needs. There must be a plan to develop production, alliances must be formed with other places, and additional construction materials must be produced to sell to the people in many appropriate forms to help them improve their housing situation, especially with regard to the poorer workers.

Jobs must be positively provided for the working people by expanding agricultural, forestry, and fishing agricultural, forestry, and fishing production and the small industry, handicrafts, and services sectors.

On the circulation-distribution front, the socialist commercial network must be more strongly developed. A key matter is that the state forces must control most of the goods in order to play the role of "general agents." Commerce in the essential goods must be expanded in order to do a better job of meeting the needs of the people. The investment organizations must be rectified in order to control goods, reduce the intermediate players, and avoid irrationally increasing circulation expenses.

Concern must be shown for building up the ranks of the cadres, workers, and civil servants of the commercial sector, so that they have good quality and are skilled professionally.

With regard to exports, efforts, must be made so that every year about 8 million dong of foreign exchange can be earned, rising to 23 or 14 million dong in foreign exchange by 1990. A movement for "every person and every family to participate in exports" must be launched.

The cultural-social undertaking must be developed. On the basis of promoting production and developing the sectors and trades, we will further improve the material lives and morale of the people.

We will open additional basic-level general education schools and classes and endeavor to enable all districts to have a Level-III school. Teacher training will be intensified to ensure that all children of school age can go to school. Concern will be shown for protecting mothers and children and for developing nursery school education. The nursery schools and day-care centers will be strengthened and expanded.

Village public health clinics and maternity clinics will be consolidated and built. The district, city, and provincial hospitals will be expanded. The provincial, district, and city hospitals will receive additional medicine and equipment.

The production of medicine, especially ordinary medicine, will be stepped up, and the raising and compounding of eastern medicinal plants will be encouraged. The activities of the Red Cross will be stepped up at all levels.

Care will be shown for the lives of the families of disabled veterans, war dead, and retired cadres, for families of active duty servicemen, and families with merit toward the revolution. The prompt payment of retirement and other benefits will be ensured. The districts and villages must build "friendship" houses for the families of war dead and disabled veterans.

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## PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

#### AN GIANG SOCIO-ECONOMIC SITUATION, TASKS REPORTED

Hanoi NHAN DAN in Vietnamese 4 Dec 86 p 3

[Party Building column: "An Giang Party Organization Socio-Economic Situation and Tasks"]

[Text] The political report of the executive committee of the An Giang provincial party organization stated that during the past 3 years, agricultural production, particularly the production of rice and export subsidiary food crops, has expanded relatively well. However, the rate of expansion is still slow, and it is not all-round or balanced.

Marine products have expanded, but investments are still limited and internal consumption is still plagued by arbitrary pricing. The natural sources of fish are not being protected well.

The forestry policies have not been implemented in a synchronized manner. There is a serious shortage of lumber and firewood.

Local industry has begun to show a profit. Productivity and quality have clearly improved in many state enterprises. Small industry and handicrafts have been restored and expanded. In 1985, the value of production increased 2.5 times as compared with 1982, mainly as a result of making use of the existing equipment capacity and restoring the old production installations. There was little new construction.

Production has not expanded evenly or steadily. Social labor productivity has increased, but material losses have increased greatly. Labor productivity in the state sector has declined.

The population policies have not been implemented well and so the population growth rate during the past 3 years has averaged 2.5 percent. As a result, the rate of expansion of production during this period has not been able to maintain the previous standard of living, and there has not been any accumulation for expanded reproduction. But because circulation and distribution and imports and exports have expanded, national revenues have increased 4,326 million dong. This has limited the difficulties during a period of complex change and rapid inflation. Some of the investment capital has been reserved for capital construction, and it has been possible to carry on economic activities and implement social policies.

As for tasks and targets up to 1990, the report stated that the leading task is to step up production and increase the rate of expansion of production using an agro-industrial economic structure. Agriculture must be regarded as the leading front, with grain the center. At the same time, the production of export agricultural and marine products must be promoted. Emphasis must be placed on expanding industry and small industry and handicrafts, processing consumer goods, exports, and building materials, and expanding circulation and distribution, imports and exports, and economic cooperation. Based on this, jobs must be created, the number of working days and income levels must be increased, and the material and spiritual lives of the laboring people and wage earners must gradually be improved. Attention must be given first of all to those whose standard of living is below the minimum level, retired cadres, families of war dead, wounded soldiers, those who worked for the revolution and are now encountering difficulties, and those who have fulfilled their obligation to the country. Economic and social development must be promoted so that revenues of the entire province double by 1990 as compared with 1985, with agriculture accounting for 70 percent and local industry accounting for 30 percent.

Based on economic zoning, the localities must determine subzones in order to organize the production structure and arrange the planting seasons based on suitable formulas. Specialized cultivation zones must be formed, rice production must be stabilized, and the specialized slash-burn area and rice and subsidiary food crops crop rotation area must gradually be increased based on the projects. Long-term industrial crops and cajuput trees must be grown, the mountains must be afforested, and mixed gardens must be improved. Emphasis must be placed on intensive cultivation, multicropping, crop rotation, seasonal changes, and the reclamation of idle land and wasteland. The water conservancy measures must be implemented in a synchronized manner, the technical advances must be put to use, and the investment, financial, and pricing policies must be used.

Synchronized plans, measures, and policies must be formulated in order to quickly restore and expand the number of pigs and cattle in the state, collective, and family sectors. The target is to have output reach 16-18,000 tons of pork on the hoof and have 90-100,000 head of cattle.

Forestry: The main tasks are to restore and protect the forests and expand concentrated afforestation, improve the mixed gardens, and plant cocos nucifers and prunus persica in conjunction with the movement to plant dispersed crops in order to manifest economic results, satisfy the need for lumber and firewood, and improve the environment. There must be policies to ensure the long-term economic interests of the units and producers. An effort must be made to have 35-40,000 hectares of cajuput and 5-6,000 hectares of mountain forests by 1990. Fishing must be organized well in conjunction with protecting the natural sources of shrimp and fish. There must be policies to encourage people to expand fish rearing in ponds, fields, and ditches. The raising of export shrimp must be expanded. By 1990, yields of raised fish and shrimp must reach 15,000 tons.

Local industry: The capacity of the existing production installations must be exploited fully, new equipment must be installed, occupations must be expanded, and an agro-industrial structure must gradually be formed. By 1990, the value of gross production must be 2.5 times that of 1985.

In order to increase the proportion of industry and small industry and handicrafts in the general structure, real independence must be given to the primary level units and laborers in everything from planning to the organization of production, raw materials, fuel, and materials and the distribution of the products in order to make good use of the capabilities of the economic elements, provide jobs for the laborers, and increase commodity products for society.

Proper use must be made of the resolution of the Eighth Plenum of the CPV Central Committee, 5th Term, and organization must be strengthened in order to reduce the intermediaries. Unified management must be ensured and convenient business activities must be maintained based on decentralizing management. Good support must be given for production, living conditions, and accumulation for the budget. Economic contracts must be implemented right from the beginning in order to obtain more and more commodity products at stable prices. Joint economic and export-import forms must be adopted, foreign remittances must be mobilized, money must be borrowed from abroad. particularly from the socialist countries, equipment must be imported, and the material and commodity funds must be increased. Costs must be balanced, and the markets and prices of goods essential for production and life must be controlled.

Socialist transformation in agriculture must be promoted, and industry and commerce must be reformed with suitable themes, forms, and steps.

In agriculture, the production collectives, cooperatives, and joint collectives must be consolidated. As for industry and small industry and handicrafts, policies suited to each objective, occupation, and sector must be used in order to reorganize production, restore and expand the occupations, and gradually mobilize people to engage in collective work in cooperative teams and cooperatives without being pressured.

In commerce, the marketing cooperatives must be solidified, and their quality must be improved. The statutes must be revised and amended as appropirate so that, together with state commerce, it will be possible to support production and life and control the markets in the villages and subwards based on the policies. Based on building socialist commerce, private retail commerce must gradually be reformed.

To fulfill the requirements mentioned above, the key tasks are to manifest the collective ownership rights of the masses, among whom the activists are mass organizations, build the leadership nucleus of the party, and strengthen

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the management and support of the various-echelon authorities. The economic management mechanism must be improved, and the district, village, and subward echelons must be built up and strengthened. The staff must be reorganized and simplified, administrative-economic management and commercial production management functions must be carried out well, and administrative-economic management must ensure and create favorable conditions for commercial production management. Good use must be made of the policies and economic levers in order to exploit the capabilities of the state and collective economic elements. At the same time, much attention must be given to organizing and exploiting the capabilities of the family, individual, and private economies.

The district echelon must be strengthened. The village must be turned into a planning and budget echelon. The cadres must be strengthened (mainly by training people on the spot) so that they have sufficient capabilities to guide and manage the various economic models, such as cooperatives, joint collectives, agricultural production collectives, small industrial cooperatives, marketing cooperatives, and credit cooperatives.

The party committee echelons and authorities must strengthen national defense and security, regularly educate people, lead and guide the implementation of the party's policies, and solidify forces that are pure politically. Movements to defend the fatherland must continue to be launched, an all-people national defense must be actively built, and the spirit of revolutionary vigilance must be improved. Public security and militia and self-defense forces must be built.

Attention must be given to mass work in the new revolutionary stage. Confidence in and reliance on the laboring masses must be strengthened. Each party committee echelon and party chapter must use the revolutionary movements of the masses as a yardstick for measuring the results achieved by their party organization and by each cadre and party member in implementing the positions and policies of the party. In educating the masses, obligations must be related to rights. Further improvements must be made concerning working class viewpoints, communist ideals, and socialist revolutionary themes. The concept of responsibility must be improved, socialist collective ownership rights must be manifested well, and an effort must be made to eliminate the old management mechanism and build the new management mechanism. People must emulate to manifest suggestions, improve techniques, economize, constantly increase productivity and improve quality, and fulfill the state plans. Living conditions must be organized well, and through this, the trade unions and the Ho Chi Minh Communist Youth Union must be solidified and expanded.

Party building is the central and basic task, with the aim being to ensure that the political tasks put forth at the party congress are carried out successfully. To this end, efforts must be concentrated on carrying out the following tasks:

Efforts must be concentrated on building and solidifying the primary-level party organizations and ranks of cadres in terms of both quality and number and ensuring that the two strategic tasks and three revolutions are carried out successfully at the primary level. The cadres, particularly the key cadres, must be assigned efficiently in conjunction with building and solidifying the leadership organizations and managing the echelons in order to exploit the leadership, management, mobilization, and educational capabilities of the party and state organizations and mass organizations as well as possible.

Ideological work must be strengthened, unity must be maintained concerning both understanding and action, cadres and party members must be educated and trained to improve their quality, and all negative phenomena must be opposed. The enemy's multi-front war of destruction must be actively opposed.

The leadership behavior and quality of activities of the party committee echelons must be improved. A scientific and highly efficient style of work in which cadres and party members keep in close touch with the masses and bases must be developed. The principle of democratic centralism must be implemented well, and collective leadership roles and individual responsibilities must be elevated.

Building and solidifying the party and developing the new party members is a permanent requirement that is of great urgency today. The party committee echelons and party chapters must step up the work of educating party members and resolutely expel opportunistic elements, those with inadequate political standards, those who are morally degenerate, and those who have violated party principles.

11943 CSO: 4209/236

#### PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

# HAU GIANG SOCIO-ECONOMIC SITUATION, TASKS REPORTED

Hanoi NHAN DAN in Vietnamese 6 Dec 86 pp 3, 4

[Unattributed report: "Hau Giang Party Organization Socio-Economic Situation and Tasks"]

[Text] The report on the socio-economic situation and tasks presented at the Fourth Hau Giang Party Organization Congress stated:

On the agricultural production front: During the past term, the party organizations have regarded expanding agricultural production in all respects as the leading task, with grain and food products being the center. In producing grain, the province has given attention to guiding intensive cultivation and multicropping. An important change is that tenth-month, winter-spring, and summer-autumn rice areas and high-production fields have been delineated. Good guidance has been provided in implementing measures on water conservancy, seed, soil preparation, and agricultural schedules. As a result, 60 percent of the total area has been planted in high-producing rice, accounting for 73 percent of the total rice yield for the year. The total rice yield for 1985 was 1.52 million tons as compared with the state's norm of 1.5 million tons. But this was short of the norm--1.8 million tons--put forth at the Third Party Organization Congress. In conditions in which there were shortages of materials, materials were not supplied on time, the weather was bad for several consecutive years, harmful insects were a problem over a widespread area, and there was a serious shortage of insecticide, the grain yield mentioned above represents a great effort on the part of the party organizations and people in the province.

Besides rice, the norms have been fulfilled for a number of short- and long-term industrial crops, the planting of concentrated forests and dispersed trees, and certain types of livestock. But for the most part, the norms put forth at the congress have not been fulfilled. The plans for sugar cane, cocos nucifers, and bananas have been fulfilled or exceeded. But the plans for other crops, such as peanuts, pineapple, jute, and medicinal plants, have not been fulfilled. Jute, sweet potatoes, and soybeans have fallen far short of the planned targets. The planned targets for hogs and buffaloes have almost almost hit (99 percent for hogs and 99.4 percent for buffaloes). But in general, animal husbandry has not fulfilled the plans. However, the average yearly rate of expansion has increased (11.7 percent for hogs, 4.9 percent for buffaloes, 4.7 percent for cattle, and 18.2 percent for ducks). The norm for planting concentrated forests was set at 5,000 hectares, but only 3,053 hectares have been planted. The yearly plans for planting dispersed trees (20-25 million trees per year) have been fulfilled.

The marine products sector, the second strength of the province, has been given guidance, and good results have been achieved in raising, catching, purchasing, and processing marine products for export. Construction on pisicultural projects has been virtually completed, particularly in the sea-water and brackish-water areas. A total of 8,885 hectares is being used to raise shrimp. Fishing catches have exceeded the plans. The purchasing of aquatic products has exceeded the plan by 11.9 percent, and export processing has exceeded the plan by 52.5 percent.

As for guidance by the party organizations, particularly the Provincial CPV Committee, concerning expanding agricultural production, although a great effort has been made and a number of achievements have been scored, various shortcomings remain. The arrangement of the production structure (crop growing and animal husbandry) at the various locations is not really suitable or concrete, and the application of science and technology to production is not uniform.

Industrial production, small industry and handicrafts, communications and transportation, and capital construction: Industrial production and small industry and handicrafts has been reorganized. Attention has been given to building up the machine, processing (milling, sugar, and frozen marine products for export), consumer goods production, and building materials (bricks, gravel, cement, and precast concrete members) sectors. The province's 11/48 socio-economic cluster has been built. The value of gross local industrial production has exceeded the planned quota by 19.7 percent. Industry's proportion as compared with that of agriculture increased from 7.12 percent during the period 1976-1980 to 37.6 percent during the period 1981-1985.

Communications: River and sea transport has expanded well and fulfilled the requirements concerning transporting passengers and commodities. The movement to develop rural area communications has been maintained and expanded. A number of important new roads have been built (Tai Van-Vinh Chau and Dau Sau-Sen Trang), and the roads to Long Phu, My Tu, Vi Thanh, and Long My districts have been repaired.

On the capital construction front, a number of projects to support expanding production and a number of cultural and social projects have been built. A total of 68.35 percent of the investment capital is invested in sectors that produce materials, and 31.65 percent is invested in sectors that do not produce materials.

Circulation and distribution: The party organizations have quickly overcome the difficulties and gradually stabilized prices. An effort has been made to build socialist commercial forces (including state forces and marketing cooperatives). During the period 1982 to September 1985, market prices in the province were stabilized. The state has controlled the purchase of essential goods. Export-import activities and tourism have fulfilled the yearly planned norms. Recently, good results have been achieved in obtaining remittances from abroad.

However, the construction of socialist commercial forces, particularly marketing cooperatives, has not fulfilled the requirements, and many negative phenomena are still occuring. Not enough attention has been given to reforming private commerce.

There are still many shortcomings in price and price control work. Since September 1985, because of the mistakes and shortcomings in implementing the price, salary, and currency plan, prices have continued to fluctuate.

The party committee echelons and authorities have given attention to carrying on educational, public health, and athletic activities and caring for the people, workers, civil servants, armed forces, retired cadres, and others in the policy categories.

General and supplementary education has been maintained undiminished and expanded. Additional Level-1 schools and a number of Level-2 and Level-3 schools have been built. But there are still classrooms where three sessions are taught. Eighty percent of children of Level-1 age are attending school, and 37 percent of those of Level-2 age are in school. Preschool education is expanding slowly.

Attention has been given to public health and athletic activities and to caring for mothers and children. Advances have been made. But the public health network at the primary level is still weak, and there is a shortage of medicines.

Along with the achievements and strengths during the previous period, the party organizations have also exposed many shortcomings and weaknesses. Most of the various-echelon and various-sector cadres and party members in the province, who have had to carry on activities during a struggle to move to the new revolutionary stage, lack experience. Their economic thinking has not changed and so they have not been able to satisfy the requirements of the present revolutionary stage. They are conservative and continue to hold to old ideas. There has been no change in the organization or arrangement of the cadres. Some of the cadres lack creativity. There have been many shortcomings in arranging the economic and capital construction investment structure.

There have been many weaknesses in organization and implementation, particularly in looking after the lives of the laboring people and manifesting the collective ownership rights of the masses. There has been a lack of cadre training projects. Building the party and manifesting the collective ownership rights of the masses have lacked centralized guidance from the party committee echelons, particularly the Provincial CPV Committee, and this has had an influence on the province's movements. The report also mentioned socio-economic guidelines, tasks, and targets for the period 1986-1990. Specificially:

Agriculture: In the coming 5 years, based on making agriculture the leading front, transformation must be stepped up and the quality of transformation must be improved. The crops and livestock must be arranged correctly, investments must be strengthened accordingly, and science and technology must be applied to production. The agricultural economy, with food at the center, must be expanded in all respects based on engaging in intensive cultivation and multicropping. Yields must be increased, the grain needs of the localities must be fulfilled, and contributions must be made along with the entire country. Sources of feed must be built in order to expand animal husbandry. Raw materials must be supplied for the processing industry, and larger and larger sources of export goods must be created. An effort must be made to have rice yields reach 1.8 to 2 million tons and raise 600,000 hogs, 60,000 buffaloes, and 14,000 head of cattle.

To satisfy the requirements and fulfill the above norms, much attention must be given to building specialized cultivation regions and stabilizing the 350,000 hectares of farmland used to produce grain. The turnover of the land must be increased from 1.31 to 1.5-1.7 percent. At the same time, industrial crops and subsidiary food crops, particularly export crops of high economic value, must be grown, and animal husbandry must be promoted.

Attention must be given to expanding the family economy. The state and state-operated bases must help enable the family economy to expand in the right direction. Ten percent of the farm land must be reserved for growing raw materials to process livestock feed.

Marine products: An effort must be made to fulfill the following requirements and norms by 1990: raise shrimp and fish on 20,000 hectares, catch 40-45,000 tons of fish, and purchase 60-70 percent of the aquatic products. The value of foreign currency earned from processing export products must reach 45-50 million ruples or dollars during this 5-year period. For 1990 alone, the figure must reach 10-12 million. The concentrated forest area must be expanded, reaching 15-20,000 hectares by 1990. In particular, by the end of 1988, cajuput must be planted at the province's three state forests, that is, the My Phuoc, Mua Xuan, and Phuong Ninh state forests, and at the district state forests.

Industry and small industry and handicrafts: During the coming years, the task of industry and small industry and handicrafts is to support the expansion of agriculture, fishing, and communications and transportation. Attention must be given to guiding the machine industry, the agricultural products and foodstuffs processing industry (particularly export processing), and the production of consumer goods and building materials. By 1990, the value of gross production must reach 650 million dong (of which 40-50 percent is accounted for by state operations).

Attention must be given to rearranging the sectors and industrial and handicrafts production installations. Management must be decentralized as appropirate, (draft) Resolution 306 of the Political Bureau must be understood thoroughly, and the independence of the primary-level economic units in commercial production must be ensured. There must be policies to stimulate a suitable expansion in production in the state, collective, and private sectors (correct use must be made of the policies on the five economic elements). Policies on rational prices and product purchasing and distribution must be provided.

Strengthening communications and transportation: The following requirements must be satisfied by 1990: The transport of passengers and commodities must be ensured based on maintaining land communications and strengthening and expanding river transport. North-south communications and transportation and communications and transportation with other countries must be expanded gradually. A port must be built at Can Tho. Much attention must be given to looking after the motor boat and sampan transport forces and to providing transportation for the people. The existing bridges and roads must be maintained. Inter-district roads to the economic and technical clusters must gradually be built. Inter-village and inter-hamlet communications must be maintained.

Capital construction: Capital and building materials must be concentrated on key projects to support expanding agricultural and fishing production, the production of consumer goods, and the building materials and export products industries.

Circulation and distribution: The circulation and distribution front must be rearranged to support the needs of production and life and overcome the mistakes make in implementing the resolution of the Eighth Plenum of the CPV Central committee. The state-operated commercial network and network of primary-level marketing cooperatives must be rearranged. Wholesale activities must be maintained, and 70-80 percent of retail activities must be controlled. Attention must be given to reforming private commerce, strengthening market managment, and stabilizing prices. Price discipline must be enforced strictly, export-import activities and tourism must be promoted, foreign ships must be serviced, and remittances from abroad must be mobilized. Rational policies must be maintained in importing essential production materials and goods essential to the lives of the people.

Cultural-social life: Cultural and arts activities must be strengthened in order to support the lives of the people, particularly those living in remote rural areas. The health of the people must be looked after, and disease prevention and environmental protection movements must be promoted. Children must be given innoculations against various diseases. The quality of medical examinations and treatment offered at the hospitals must be improved. A movement to plant medicinal plants must be launched. The planned parenthood campaign must be guided more closely, with the rate lowered from 2 percent to 1.9 percent. A synchronized material base must be built for the education sector in order to ensure that at least 90 percent of the children of school age are attending Level-1 general school. The difficulties concerning instructional installations and teachers must be overcome in order to do away with four-session classrooms and limit the number of three-session classrooms. Preschool education must be expanded, and the number of students going on to levels 2 and 3 must be increased. Providing supplementary education for cadres, workers, and civil servants must be guided well.

The lives of the people must be looked after, and the policies on families of war dead, wounded soldiers, retired people, families that have make meritorious contributions to the revolution, orphans, and people experiencing many difficulties must be carried out well based on the motto of the "state and people working together."

11943 CSO: 4209/238

VIETNAM

# TIEN GIANG SOCIO-ECONOMIC SITUATION, TASKS REPORTED

Hanoi NHAN DAN in Vietnamese 6 Dec 86 pp 3, 4

[Unattributed report: "Tien Giang Party Organization Socio-Economic Situation and Tasks"]

[Text] The report on the socio-economic situation and tasks presented at the Fourth Tien Giang Party Organization Congress stated:

During the past 5 years, the party organizations and people in the province have made a great effort, resolutely made advances in the face of the difficulties and challenges, and striven to hit the socio-economic targets, maintain national security, fulfill international obligations, and establish a vigorous and creative management mechanism.

Agricultural production has achieved important results and expanded in all respects.

In a situation in which the province has had to deal with natural disasters, harmful insects and diseases, and a serious loss of balance concerning materials and capital, excellent results have been achieved on the agricultural front (which accounts for 74.93 percent of the gross social product). The needs of the localities have been satisfied better, and the obligation of making contributions to the state have been fulfilled.

In order to advance beyond a one-crop system, in which only rice is grown, various measures have been applied in order to grow subsidiary foods crops and short- and long-term industrial crops. A crop rotation system involving two crops of rice and one crop of subsidiary food crops has been implemented. Besides sugar cane, pineapples, and cocos nucifers, recently, the province has begun growing green beens, corn, red squash, and citrullus vulgaris.

Developing the garden economy has been tied to developing the family economy in order to increase the people's incomes. A program of reclaiming wasteland and establishing zones that specialize in the cultivation of industrial crops has been developed. During the past 5 years, the rate of land reclamation has been stepped up, and the area planted in sugar cane, pineapples, prunus persica, eucalyptus, and cajuput has increased. This has made it possible to provide raw materials to support the processing industry.

Animal husbandry has made progress in the state, collective, and family sectors. The number of pigs in the state sector has increased steadily. Recently, the size of the collective and family duck flocks has expanded greatly.

Aquatic products are one of the province's strengths. During the past few years, attention has been given to investing in this sector in order to promote pisciculture, fishing, and processing.

Industrial and small industry and handicrafts production has expanded. As compared with 1981, the value of production has increased 1.54 times. In this, small industry and handicrafts account for 78.8 percent of the value of gross production.

The machine manufacturing and repair industry has gradually been consolidated and expanded. Tug boats, dredgers, and barges have been built, and combines, threshers, coconut shellers, and hand-held tools have been produced to support agriculture, the aquatic products sector, and communications and transportation. The chemicals industry has been promoted, and many types of goods and medicines for both people and livestock have been produced. The building materials industry has expanded recently. The lumber, brick and tile, and peat enterprises now have the capacity to satisfy more of the capital construction and housing needs of the people. The feed processing, sugar, coconut oil, export fruit, printing, and textile industries are operating better than before and have opened new installations.

Small industry and handicrafts production has a broad movement. From just a few production installations in 1976, there are now almost 1,500 installations employing more than 32,800 laborers, an increase of 241.14 percent as compared with 1976. These installations produce more than 80 different types of goods to support consumption and exports.

Notable achievements have been scored in building the material and technical base.

As for communications, almost all the old roads have been repaired, and many new roads have been built in remote rural areas (particularly district and village projects). This has facilitated circulation and changed the face of the rural areas.

The export-import sector is one of the province's strategic sectors. There have been new changes recently.

Circulation and distribution is always a pressing and complex front. We have made a great effort to solve the problems promptly, expand production, and support the lives of the people.

New achievements have been scored in reforming and reorganizing agricultural production, industry, and commerce.

As a result of socialist transformation, progress has been made in eliminating exploitation and involving farmers in collective activities. There have been higher yields and better results.

Cultural, educational, public health, scientific and technical, and athletic activities have continued to expand.

Security, national defense, and socialist law have been strengthened. The province has done a better and better job in building an all-people national defense and in building and solidifying the position of people's war.

As for the standard of living, the average per capita figure is 592 kg of grain per year. Based on expanding production, the three requirements of increasing people's incomes, accumulating capital for local construction, and fulfilling the obligations to the state have been satisfied satisfactorily.

However, in conditions in which the entire country is experiencing difficulties, Tien Giang has not been able to avoid complex changes. Production is not stable, and there are still many difficulties in circulation and distribution, which has had a bad effect on production and life. Actually, production has expanded, the potential has been exploited better, and production capabilities have increased. But the lives of the people, workers, civil servants, and soldiers are not yet sta<sup>ble</sup>.

In the coming 5 years, there will be more favorable conditions that there were in the past 5 years. The socio-economic situation must be stabilized, and socio-economic development must proceed more quickly. At the same time, security and national defense work must be promoted, international obligations must be fulfilled, and safety in production and life and combat readiness must be maintained. Concerning socio-economic tasks in particular, the general guidelines are:

1. Promoting production is the leading centralized task.

In the coming years, efforts must continue to be concentrated on expanding agriculture in all respects, upgrading agriculture to large-scale socialist production, and stepping up the production of consumer and export goods.

Agriculture must be expanded in all respects. That includes agriculture, forestry, pisiculture, and the processing industry. In arranging the production and investment structures, agriculture must be closely related to the processing industry, the industry that directly supports agriculture. An agro-industrial economic structure must be formed in the districts. Raw materials and processing zones must be built. Expanding the high-yield rice zones must be promoted. Steps must be taken to ensure that gross grain yields

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reach 850-900,000 tons a year, or a per capita average of approximately 600 kg, by 1990. The production of industrial crops and export crops and livestock must be expanded greatly.

In animal husbandry, the center of which continues to be hog raising, state, collective, and family animal husbandry must be expanded. By 1990, the target is to produce a minimum of 22,000 tons of pork and raise 4 million ducks. Shrimp and fish raising must be promoted.

Emphasis must continue to be given to expanding water conservancy and perfecting the system of water conservancy projects. Attention must be given to water conservancy in the fields.

Crop rotation, intensive cultivation, and seasonal allocation techniques must be used in coordination with using a system of applying fertilizer that is suited to each ecological zone and subzone. The production and use of organic fertilizer must be promoted. Every effort must be made to maintain the fertility of the soil.

The consumer and export goods processing industry must be expanded. During the next several years, through cooperation with other countries, large investments must be made based on the projects in order to expand the raw materials areas rapidly in a balanced and stable manner while maintaining high quality. Such materials include cocos nucifers, pineapples, bananas, hogs, aquatic products, and medicinal agents. Attention must be given to using all the secondary agricultural products and agricultural by-products (cocos nucifers, sugar cane, pineapples, meat) brought in for processing. Intensive and synchronized investments must be made in the existing processing installations.

Intensive and synchronized investments must be made in the machine industry, primarily the machine repair industry. There must be a rational division of labor and products. Joint technical operations must be expanded with Ho Chi Minh City. The needs concerning repairing and restoring tractors and means of communications on water and land must be satisfied. The machine enterprises must be consolidated, and there must be waranties on the tractors. Many types of hand-held tools, improved tools, and small machines must be manufactured.

2. Construction of the material and technical base must continue to be promoted.

Attention must be given to expanding the electricity network, perfecting the water conservancy system, providing more equipment for agriculture, improving the equipment and synchronizing the production belts in the processing and consumer goods industries, expanding communications, improving posts and telecommunications, and building more housing and other public welfare projects.

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3. There must be population planning, and laborers must be provided with jobs.

Greatly reducing the population growth rate is one of the province's pressing requirements. There must be concrete plans on births in order to lower the population growth rate from 2.65 percent to 1.8 percent.

Jobs must be provided for laborers, particularly soldiers who have fulfilled their military obligation. Youths who have graduated from school and returned to the localities must be assigned to primary-level economic units. The sectors and occupations must be expanded in order to employ the surplus labor forces in the rural areas. In the cities, production and service sectors must be opened in order to absorb the unemployed laborers.

4. Circulation and distribution must be mastered.

The strength and order of socialist commerce must be increased. The immediate need is to solidify and improve the quality of state commerce and of the marketing cooperatives. State commerce controls all of wholesale trading and 70 percent of retail trading of essential goods. The commercial and material supply organizations must establish commodity funds at the three echelons and ensure stable and self-sufficient commodity distribution in order to expand production. Strict discipline must be maintained concerning prices. A one-price system must be implemented concerning retail prices.

Along with expanding production, the financial, currency, and circulation and distribution problems must be solved correctly.

5. Foreign economic results and joint economic activities must be expanded and improved.

In all of foreign economic activities, the task that is of decisive importance is stepping up exports in order to increase imports and balance the plans of the province. An effort must be made to have the value of export goods reach 30-35 million rubles or dollars [as published] by 1990.

Imports must be used mainly to support production in order to fulfill the tasks and norms in the state plans.

Besides the export-import activities, tourism is another important activity. Immediate attention must be given to internal tourism in order to improve the spiritual lives and health and expand the intellectual horizons of the cadres, workers, and civial servants in the province.

An effort must be made to open many suitable forms of services in order to earn foreign capital.

6. Socialist transformation must be promoted, and the quality of the new production relationships must be improved.

The agricultural cooperatives and agricultural production collectives must be solidified and their quality improved. In solidifying the existing agricultural cooperatives and agricultural production collectives, attention must be given to upgrading the machinery and property of these cooperatives and collectives (including scientific and technical items). At the same time, the cooperative members and members of the production collectives must be educated so that they have a concept of ownership, and the standards and capabilities of the management cadres must be improved. The garden economy must be expanded in a planned and effective manner.

7. There must be a broad application of the scientific and technical advances. Investments in scientific and technical activities must be increased. Scientific and technical research and development centers must be organized in the province. The activities of the sector scientific and technical councils, Provincial Scientific and Technical Council, and scientific and technical control organizations at the production units and management sectors in the province, districts, and cities must be consolidated and promoted.

8. Cultural and social activities must be expanded.

Additional Level-1 general schools and vocational schools must be built for the youths. The existing work-study schools must be expanded, and additional work-study schools must be built.

In the public health field, active steps must be taken to prevent and control epidemics and protect the health of the people. Action must be taken to treat and stop the spread of communicable diseases. Epidemics must be stamped out.

Care must be provided for wounded soldiers, families of war dead, and retired people.

The integrated strength of the province must be mobilized and exploited, political security and social order must be maintained, and the enemy's multi-front war of destruction must be resolutely defeated. At the same time, our national defense potential must be increased, the quality of the local armed forces must be improved, active contributions must be made to building up the army, and the requirement of defending the fatherland must always be satisfied fully.

11943 CSO: 4209/238

#### PARTY ACTIVITIES AND GOVERNMENT

#### VIETNAM

# READER OPINIONS ON PARTY ORGANIZATION, CADRE WEAKNESSES

# Party System

Hanoi NHAN DAN in Vietnamese 4 Dec 86 p 3

[Unattributed report: "A Synthesis of Opinions Sent to NHAN DAN To Contribute to the Party Congress: On the System in Which the Party Leads, the People Are Masters, and the State Manages"]

[Text] Many people said that the system in which the party leads, the people are masters, and the state manages is the basis for defining the subjects and motive force of our socialist system. But to date, this system has not been concretized and so implementation has been confused and arbitrary. Many party committee echelons have failed to fulfill their leadership and control responsibilities and have undertaken the work of the authorities. In many places, the authorities have stressed commandism and bureaucratic centralism. They have given little attention to exploiting the strengths of the mass movements through the mass organizations. The elected organizations have not fulfilled their duty of representing the collective ownership rights of the people. Their activities are still formal in nature. The collective ownership rights of the masses have been seriously violated.

Many people said that at the commercial production installations and units, agencies, corporations, and stores, which are the units that are implementing the system of heads, there must be clear stipulations for implementing the system in which the party leads, the people are masters, and the state manages.

A number of people said that enterprise and corporation directors have been entrusted with great power, but some directors are incompetent and are of poor quality. Party committee secretaries have been assigned tasks for which they are not suited. A number of comrades lack peace of mind in carrying out the tasks and do not have adequate knowledge concerning economic and technical matters. The ideological and organizational standards of the party organizations are weak. The executive committees of the mass organizations are weak. For these reasons, at a number of places, the heads of the units have engaged in negative activities but the party organizations have not been aware of this, controlled this, or struggled against this in time. The people have not dared to say anything. There are even places where the party cadres, authorities, and mass organizations have conspired to commit violations for local interests and attacked honest people.

Education must be improved, and the capabilities and concepts of the people, workers, cadres, and state personnel concerning the rights and obligations of collective owners must be strengthened.

Many people mentioned the problem of building and solidifying the bases. Many letters from rural areas reflected the fact that there are still many inferior bases. At these places, the lines and policies of the party are not thoroughly understood, and they are not implemented in a serious manner. The village party organizations often worry only about stepping up production and fulfilling the obligations. They give little attention to social activities and living conditions. Many of the party organizations are weak. In some places, there are no party chapters or party cells. Some party chapters act like guilds and bring relatives into the party. Administration in the hamlets is almost nonexistent. The production units handle almost everything, including public order and security. Gambling, drinking, and superstitious rites have increased and even cadres and party members are involved.

The primary party organizations must be consolidated so that they can serve as the leadership nucleus. The party committee echelons must be strengthened, and degraded cadres who no longer play a leadership role must be expelled.

Training classes must be held for primary level cadres so that they adhere to the new viewpoints and methods. They must be taught work methods based on the organizational principles and activities of the party.

The party committee echelons must give much attention to building and consolidating the administrative apparatus and mass organizations and avoid carrying out the work of others. Only if the administration and mass organizations are strong will it be possible to have a strong party organization. Only if the party maintains the administration will the people be able to implement the lines and policies of the party through the management and control of the administration using the state plans and laws and the encouragement of the mass organizations.

Many legal experts said that specific laws and regulations must be promulgated, particularly economic laws, in order to form a basis for the unified management of the socialist state. Everyone, regardless of class, must obey the laws and maintain social discipline. Under the leadership of the party, the primary function of the state is to systematize, through the laws, the collective ownership rights, interests, and obligations of the laboring people and manage economic and social activities based on the laws.

Immediate action must be taken to improve the work methods and attitudes of the agencies, cadres, and state personnel who come in contact with the people on a daily basis and who serve the people. This includes those who work at state stores, hospitals, train and bus stations, and administrative and public security agencies. These personnel must avoid acting in an arrogant or overbearing manner. The control agencies, courts, and tax and security organizations must be strengthened so that they are totally honest.

Information centers must be opened to help increase the people's understanding of the law. Socialist law must be taught in the general schools. This must become a compulsory subject for all party members, cadres, and state personnel.

The state agencies must have reception rooms and collect the ideas of the people. The leadership cadres must set aside time for meeting people and answering questions, and they must respond promptly to suitable proposals and correct the irrational aspects or mistakes concerning the procedures, policies, and laws of the state.

The activities of the National Assembly and various echelon people's councils must be strengthened in line with their position as the highest power of the people at the national and local levels. People must be educated concerning elections. Conditions must be created to enable people to select suitable representatives freely instead of in a formalistic manner.

The Fatherland Front and the mass organizations must participate with the party and state in drawing up lines, positions, and policies and organizing the implementation of the positions and policies.

Many people asked that the mass organizations improve their operating methods in order to achieve practical results, exploit the intelligence and zealousness of the people, promote a vigorous revolutionary mass movement, and at the same time, give attention to the lives and happiness of the people.

# Morals, Ability of Cadres

Hanoi NHAN DAN in Vietnamese 5 Dec 86 p 3

[Article: "Synthesizing Opinions Sent to the Newspaper NHAN DAN To Contribute to the Party Congress: On Organization and Cadres"]

[Text] In this sphere, many letters contributed frank opinions. About 6,000 letters dealt with that matter. Furthermore, nearly all of the opinions about other matters also dealt in part with organization and cadres, the most common matter of all echelons and sectors and a matter of decisive importance.

Letters from rural areas, cities, organs, production and commercial units, armed forces units, and retired cadres all expressed an ardent desire: in order to fulfill its historic mission in the new revolutionary phase, the party must have a corps of cadres with moral qualities and ability equal to their responsibilities. In that spirit, nearly all of the opinions agreed with the observation that among the serious deficiencies encountered during the recent period, the principal reason were the short comings of the party's ideological and organizational tasks, the core of which is the cadre work. The renovation of the organization and cadre work is an urgent requirement. There were many opinions that during the recent period that the politicalideological work had been relaxed. The ideological work has lacked combativeness and even has a serious rightist tendency. The organizational work has not kept up with the situation and has been slow to change, and the cadres have not been given timely training so that they can fulfill their new missions, especially economic management. Many outmoded viewpoints toward the organization work have not been changed, which has given rise to conservatism and inertia. The cadres, especially the key leadership and management cadres, lack ability and moral quality, which has greatly harmed the revolution and weakened the prestige of the party.

Many opinions have applauded the initial results of the self-criticism and criticism campaign in the party, have applauded the press for making public a number of violations of discipline and laws, and degenerate cadres, for purposes of common criticism and education, and have applauded the bringing to trial of a number of serious cases.

Many combined opinions have concerned incidents and people with deficiencies in the localities which have long been hushed-up and covered up by their unit and not brought to justice, and recommended that the self-criticism and criticism campaign not be regarded as being over, but that it was necessary to carry it out on a regular basis, that the struggle continue, that the corps of party and state cadres be made truly pure and strong, and that the degenerate elements be resolutely expelled from the party and the state apparatus at all levels. All acts of covering up and patronage must be dealt with strictly. After such incidents are uncovered, they must be promptly investigated, conclusions must be reached, and open trial must be held.

Some people recommended that after the party congress the cadres and party members must be more extensively educated, and the ranks of the party and the cadres must be resolutely purified.

Some people said that the cadre work determines everything, so first of all attention must be given to the ranks of the key leadership and management cadres, to the party committee secretaries, the people's committee chairmen, and to the directors of the sectors, corporations, and basic units. Strengthening the party committees so that they can truly have sufficient ability and quality is very important. It is necessary to boldly reduce the average age of cadres.

Many people expressed opinions that our cadres of today, have been educated and cultivated by the party, and a rather large number have actual experience and have matured. If there is a change in outlook, and there correct viewpoints toward evaluating, selecting, and assigning cadres there would be no lack of cadres and no lack of skilled people. If democracy is truly brought into play and cadres are selected by relying on the masses, it will be possible to find good cadres who will above all truly have the confidence of the masses. In renovating the ranks of cadres, it is above all necessary to renovate the apparatus, people, and work structure of the cadre work at all echelons and in all sectors.

Cadre plans must be drafted in advance. The sectors and echelons must carry out that task urgently. Once there is a plan, there must be supplementary plans and that task must be continually monitored.

Some people recommended that with regard to positions filled by the state, in one form or another the lower-echelon cadres and masses can cast votes of confidence, based on the standards of the cadres filling those positions.

Many people recommended that more specific, more complete cadre standards be drafted for each function. There must be general standards, and there must also be separate standards for each sphere of work. Attention must be paid to work ability, educational level, and actual experience. At the same time, attention must be paid to moral qualities, virtue, work style, and way of life.

Promotions and demotions of cadres should be regarded as a matter of course. Cadres should not be promoted, without being demoted or transferred latterly, or promoted to a higher level (sometimes cadres are assigned responsibility for jobs which are entirely unsuited to their abilities).

Many people at the basic level have complained that the level of key cadres at the basic level is low and their ability weak, and that some are degenerate, paternalistic, arrogant toward the people, desire special authority and benefits, and pursue personal interests. Many people expressed opinions that there were too many state cadres and personnel in the organs, and that the district and precinct organizations are too cumbersome, while at the basic and cooperative levels there is a lack of directors who are capable and are economic-technical engineers.

A number of opinions concerned the necessity of showing more concern for training and using ethnic minority cadres and female cadres.

Increasing the number of cadres of industrial worker origin is an important requirement. But there were some opinions that we should not, for that reason, simplistically overemphasize social origins, because industrial workers, especially young industrial workers, have not existed in our country for long. There must be truly appropriate plans to cultivate them.

The cadre ranks must be complete. Attention must be paid to party committees, leadership cadres, and key management cadres, while also building a complete corps of cadres, in accordance with the requirement of strengthening the apparatuses. Assigning the right people to the right job, increasing the effectiveness of the apparatus, and discovering and using talented people are party of the organizational art. There were many opinions that the present organizational apparatuses of our sectors and echelons are too cumbersome and their effectiveness is low. Because cadres are not appropriately assigned, and because there is sometimes a duplication of efforts, there is a feeling that the problem is caused by a lack of people, so additional positions are created. Some people work with low productivity, and in many cases there are only positions and no specific work. the districts have set up too many corporations. There are also many departments and bureaus of the party and state organs, and in some places positions duplicate one another. In such cases it is necessary to achieve a more streamlined, rational organization.

The staff organs, especially at the upper echelon, play a very important role. They must be loyal and have accurate, practical knowledge and viewpoints.

Cadre training is an extremely important task. No matter what one's job is, one must study to master it and become expert in it. There must be systematic classroom training about theory, the lines and policies and specialized professional matters, accompanied by training in actual revolutionary work. Attention must be paid to supplementary training for economic management cadres.

Many people expressed opinions which reflected the present situation within the ranks of cadres: many comrades refuse to study and are satisfied with their existing knowledge and experience. Therefore, they are not receptive to new things and are slow to renovate their thinking or work style, but do not realize it.

Many opinions concerned work styles. There are too many meetings but preparations are not careful and effectiveness is low, so changes must be made. Major requirements are to carefully study the lines and policies of the party and state, make actual surveys, provide test guidance in advance before expanding implementation, providing leadership with oversight, carry out final recapitulations after tasks are completed in order to gain experience, have appropriate rewards or discipline, not be formalistic or superficial, and not "beat the drum and then throw away the drum sticks." The cadres must be close to the people, attentively listen to them, and study their intelligence. Many of those opinions criticized mandarinistic, self-satisfied, arbitrary, bureaucratic, and commandistic attitudes.

Many people expressed opinions about many other matters, such as combining young and old cadres, the responsibility of older cadres to cultivate the succeeding generation, the use of retired cadres and demobilized army cadres at the basic level, and the policy of preferential treatment for cadres at the basic level, cadre working in the mountain region, and scientific-technical cadres.

5616 CSO: 4209/237

#### PARTY ACTIVITIES AND GOVERNMENT

#### BRIEFS

GREETINGS FROM WOMEN'S UNION--On 9 February a delegation of the Hanoi Women's Union called on Council of State Chairman Truong Chinh on the occasion of his 80th birthday. Comrade (Phuong Kim Dung), chairman of the Hanoi Women's Union, on behalf of 750,000 women in the capital, wished the chairman good health and presented him with a basket of flowers and a woolen foulard woven by the Hanoi Women. [Text] [Hanoi Domestic Service in Vietnamese 1430 GMT 9 Feb 87 BK] /12232

TRUONG CHINH RECEIVES GREETINGS -- Hanoi VNA 9 February -- Nguyen Van Linh, general secretary of the Communist Party of Vietnam Central Committee, who is currently on mission outside the city, has sent a flower basket to State Council President Truong Chinh on the occasion of his 80th birthday (9 February). The Political Bureau, and the secretariat of the CPV CC, and the Council of Ministers today called on President Truong Chinh to extend best wishes on the occa-On bhealf of the Political Bureau, the secretariat and the Council of sion. Ministers, Vo Chi Cong wished President Truong Chinh the best of health, longevity and still more contributions to the nation's glorious glorious revolutionary cause. Chairman of the Council of Ministers Pham Van Dong also extended best wishes to President Truong Chinh. The same day, Nguyen Huu Tho, vice president of the State Council and chairman of the National Assembly, and representatives of the party and state offices, and mass organizations in Hanoi and provinces also came to wish many happy returns of the day to President Truong Chinh. [Text] [Hanoi VNA in English 1506 GMT 9 Feb 87 OW] /12232

CSO: 4200/327

VIETNAM

# ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

#### UNITS, INDIVIDUALS ENCOURAGED TO BRING FOODSTUFFS INTO HANOI

Hanoi NHAN DAN in Vietnamese 4 Dec 86 pp 1, 4

[Unattributed report: "Hanoi Expands Circulation of Foodstuffs, Encourages Bringing Goods from the Outlying Areas and from the Provinces into the City"]

[Text] In order to expand circulation and encourage localities, units, and individuals to bring food, vegetables, and fruit and sell these items in the city on a regular basis, the Hanoi Municipal People's Committee recently issued a number of additional measures. The units that have been encouraged to bring goods into the city include state commercial organizations, provincial and district marketing cooperatives, and rural peasants. The types of goods that are to be brought in and sold include: pork and beef (private merchants are not allowed to sell these type of goods), poultry, various types of eggs, various types of vegetables and fruits, various types of marine products, and various types of foodstuffs.

As for taxes, those who bring in and sell the types of goods mentioned above must pay only the local business tax. They do not have to pay a tax at the sales point. They must have a valid permit from the local authorities or from the district commercial organization.

The unit selling the goods can set the sales price at a price satisfactory to both buyer and seller. However, the unit or individual selling goods must post the prices and sell at the prices posted. They must not set prices higher than market prices elsewhere.

Except for pork and beef, Hanoi has encouraged private individuals to bring in goods and sell them in the city. These people do not have to undergo roadside checks and inspections when bringing goods into the city, but they must have documents. If these are private goods, this must be confirmed by the village. If they are private merchants, they must have a business permit from the district. Private individuals enjoy tax exemptions and reductions based on the regulations now in force.

State commercial units and provincial marketing cooperatives that bring goods into Hanoi can sell the goods at the Dong Xuan, Bac Qua, and 19 December markets. The rural marketing cooperatives can sell their goods at the Bac Qua, 19 December, Buoi, Mo, Hom, and several other markets. Private individuals can sell their goods at the markets as necessary. The market management boards in the city are responsible for creating favorable conditions to enable the units and people to bring in goods. For example, they must arrange convenient sales points, let them rent or borrow cabinets, stalls, and other means of business based on needs and capabilities. They must take steps to safeguard the commodities at night in places where this is necessary, and they must help the sellers find lodging.

The units that bring in goods must hang up signs clearly showing the name of their business unit. They must post their prices and charge people the posted prices. They must pay a market fee and pay for renting means of business if applicable.

Taking advantage of this policy, many state commercial units and marketing cooperatives in Ha Bac, Ha Nam Ninh, Ha Son Binh and other provinces have accepted plans and begun taking goods to Hanoi. Marketing cooperatives in urban and rural Hanoi are actively coordinating things with the localities in order to exploit more sources of goods under the form "buy all, sell out" or coordinate business activities.

11943 CSO: 4209/236

#### ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

#### NHAN DAN ON IMPROVING MATERIALS PROCUREMENT

BK060930 Hanoi Domestic Service in Vietnamese 2300 GMT 5 Feb 87

[6 February NHAN DAN Editorial: "Materials for Production"]

[Text] All sectors, localities, and primary installations need adequate materials to implement the three major economic programs. Materials needed for our production come from two sources. Domestic and imported. Some domestically produced materials have accounted for more than 60 percent of planned requirements; other requirements must be mostly imported. To organize well the procurement of ever more materials from these two sources constitutes a permanent requirement of economic management.

Procuring domestic materials was emphasized initially in 1986. Many sectors and localities have tried very hard to apply technical innovations; expand their joint ventures and enterprises; and exploit the latent potentials in terms of natural resources, intellectual abilities, material bases, and available technical labor to procure more raw and other materials.

The general corporation of chemicals and electric supplies has procured such domestically-produced materials as sulfuric acid, arrowroot, alum, round lightbulbs, compressors, and acetylene for production, and has overfulfilled plan norms by 5-10 percent.

The general corporation of metals has procured a relatively good amount of domestic materials such as steel, antimony, tin, zinc for production. Some progress has also been noted in the procurement of imported materials with respect to the tasks of organizing, planning, unloading, shipping, distributing, declaring, and managing goods.

However, in general, the problem of material supply to production has not been satisfactorily resolved. The amounts of procured materials have not met the demands of primary installations in a timely manner. The small amounts of materials of unequal quality have been dispersed widely and the primary production units usually receive the materials only in the 3rd or 4th quarters for production under the yearly plan. In procuring domestic materials, normally quantity had been empjasized to the detriment of quality. Problems concerning prices, organization, and shipment are not resolved quickly. The product delivery rate has not been guaranteed. Some commodities have been stockpiled or ineffectively used, causing much waste. There are still shortcomings in the procurement of imported materials. Planning has improved slowly, Negativism and sluggishness is still noted in the tasks of establishing orders, assigning norms, concluding contracts, clearing accounts, and organizing the shipping and receiving of goods from various terminals to primary production installations. The procurement of domestic and imported materials has not been well coordinated. All sectors and localities have made the mistake of importing materials available in the country or have improperly used materials not in accordance with the requirements of the primary production units.

This is one of the causes of the increasing stockpiles of materials in this or that place which uses up captial and storage space. No resolute action has been taken in the redistribution of materials from those localities having them in excess to those in short supply. Materials still have to go around the route of shipment, and have been used for the wrong purposes and objectives, thus being wasted beyond the authorized levels.

The Sixth Party Congress resolution specifies: Close control by the state of materials and goods which are produced and imported by the state-run economy is urgently required. With a view to increasing the quantity of domestically-produced materials, we should immediately create all conditions for those installations currently producing materials to get enough raw materials and energy, to extricate themselves from the problems of ordering and procuring prices, and to organize shipments so that they use the full capacity of their equipment.

Moreover, there should be plans to resume the production and consumption of those items of goods that have sunk into oblivion. Coordination should be made with various production installations, research institutes, and universities to make full use of the raw materials in each region, including the scraps and discards from industrial production in order to turn out new goods.

All forms of joint business and ventures must be expanded on the basis of carefully calculating the economic results in order to positively use all the capabilities available in each region. All state-run, collective, and private production units have got ever more materials for production with every passing day.

Regarding the procurement of imported materials, we should first of all determine the requirements of domestic production and carefully calculate the economic return on each unit of foreign currency. On this basis, we will establish orders for imports in a precise, correct, and uniform manner.

We should maintain regular, good, and close relations between production sectors and related functional sectors such as planning, external trade, material supply, and transportation in order to ensure the timely establishment of orders and quick conclusion of contracts. We should firmly control the arrival of each ship at each port and organize quickly and completely the recieving and shipping ---of materials to primary production installations to meet the agricultural production season schedule and the rates of industrial production. The problems of managerial control and use of material funds for production should also be resolved effectively. As an immediate step, we should rearrange the network of management and material supply along the lines of reducing intermediary links, unifying and centralizing management, and avoiding the current status of dispersion. Moreover, we should resolutely warrant the proper and thrifty use of materials for the right objectives and purposes, and concentrate the currently available materials on the implementation of the three major economic programs for grain and food products, consumer goods, and export goods.

/12232 CSO: 4209/257

# ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

#### BRIEFS

DECREASE IN KEROSENE LOSSES--To control kerosene, the Kerosene Corporation, Ministry of Home Trade, established a Norms Unit that is directly guided by the director. It implements the receiving and unloading regulations, and accurately determines the capacity of the means of transportation. During the past 9 months, the amount of kerosene lost has dropped 723 tons, with this amount having a value of 4.1 million dong. In implenting the management change, the corporation reorganized the staffs of the offices, sections, stations, and branches. [Text] [Hanoi NHAN DAN in Vietnamese 9 Dec 86 p 1] 11943

CSO: 4209/239

AGRICULTURE

VIETNAM

#### **1986 AGRICULTURAL PROGRESS SUMMARIZED**

OWO70721 Hanoi VNA in English 0709 GMT 7 Feb 87

[Text] Hanoi VNA 7 February--Vietnam produced in 1986 18.5 million tons of starch food, 300,000 tons more than in 1985. The acreage under industrial crops was enlarged by 4.80 percent. The planting of long-term industrial crops such as rubber, coffee, and tea topped their respective targets and considerable progress was made in intensive farming applied to the existing acreage. The output of coffee was up by 25 percent and tea by 12 percent over 1985.

--At present, the mountain districts of northern border provinces are raising 24,00 buffaloes [as received] and oxen, 2,000 head more than at the beginning of 1986.

--In the current winter-spring cropping season, Long An Province, south-west of Ho Chi Minh City, has planted rice on 90,000 hectares, 30,000 ha more than in the same season last year.

--The Mekong Delta province of Tien Giang is harvesting watermelons which were grown on almost 1,390 ha. Per hectare yield is expected to reach 15 tons.

--In 1986, nearly 353,000 household members were resettled in various new economic zones in Vietnam, increasing by 36 percent and 66 percent in terms of household members and workhands respectively over the average of the 1981-85 period.

--Further redistribution of the work force for new economic zones is planned this year. In northern Vietnam efforts will be made to strengthen the 35 existing zones and open 10 new ones. The Central Highlands has marked off a key zone for the redistribution of the work force and reorganization of sedentary farming.

--Efforts will also be focused on the redistribution of the work force in other areas and on building new economic zones in and outside provincial territories.

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VIETNAM

AN GIANG LAUNCHES FOOD PRODUCTION DRIVE

Hanoi NHAN DAN in Vietnamese 9 Dec 86 p 1

[Unattributed report: "An Giang Launches Movement To Produce 1 Million Tons of Grain"]

[Text] An Giang has launched a productive labor emulation movement and is striving to produce 1 million tons of grain in the coming year. It is concentrating its efforts on guiding winter-spring production and sowing and transplanting the entire area on schedule, that is, 100,000 hectares of rice, of which 40,000 hectares are high-producing rice. The province has encouraged the farms to use every type of arable land in order to plant additional subsidiary food crops, citrullus vulgaris, and legumes.

The sectors involved with agriculture are making concrete plans to invest such materials as gasoline, chemical fertilizer, and insecticide for each type of crop. For those places that produce seed rice, the province has increased material investments 20 percent and reduced the amount of products that must be delivered by 10 percent. The Provincial People's Committee has made the Federated Export Corporation and the Agricultural Products and Foodstuffs Corporation responsible for investing in soybeans, green beans, and sesamum orientale. The agricultural and grain sectors are investing in rice, peanuts, and corn.

To date, the Agricultural Technical Services Corporation has transported almost 70 percent of the chemical fertilizers, gasoline, and insecticides to the farms for winter-spring production. The Federated Export Corporation has signed contracts and transported 4,000 tons of urea fertilizer to the areas specializing in the cultivation of subsidiary food crops and export crops. This has created favorable conditions and should enable the farmers to implement the intensive cultivation measures right from the beginning of the production season.

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### AGRICULTURE

### ACCOMPLISHMENTS, DIFFICULTIES IN GRAIN PRODUCTION NOTED

Hanoi NHAN DAN in Vietnamese 11 Dec 86 p 2

[Article: "Grain Production: Accomplishments and Difficulties"]

[Text] An outstanding feature on the agricultural production front during the past 5 years has been the all-out efforts to produce grain. Grain production is regarded as the central, number-one mission in agricultural production in the localities and at the basic level, one which the echelons and sectors are Therefore, during the past 5 years, despite the concentrating on fulfilling. continuous occurrence of major natural disasters and the many limitations in material-technical bases serving production, many the important accomplishments have been made in agricultural production, specially in grain The average annual grain output increased from 13.4 million tons production. during the 1976-80 period to 17 million tons during the 1981-85 period.

During the past 5 years, in order to create rapid and relatively stable development with regard to grain production, the localities have concentrated on promoting rice production, especially the promotion of intensive cultivation to increase rice yields. By combining the use of technical advances in biology, production techniques, and material-technical bases, along with initial changes in the management structure, many localities and basic units have rearranged their seasonal structure and their variety structure, so that it consists of high-yield varieties, have raised their level of intensive cultivation, have created high-yield intensive cultivation areas, have expanded the addition of growing seasons, etc., in order to invest in in-depth development under limited technical conditions, which has brought about good development in rice production. Although the average rice area during the 1981-1985 5-year period was only 221,000 hectares (3.6 percent) greater than the average for the previous 5-year period, the rice output increased from 11.357 million tons in 1980 to more than 16.18 million tons in 1985, an average increase of more than 6.7 percent. Thus the rapid increase in the rice output was a result of the movement to promote intensive period, cultivation to increase yields. During the 1976-1980 5-year the average annual rice yield was only 20.2 quintals per hectare per season. During the past 5-years (1981-1985) it was 25.8 quintals per hectare per season.

The movement to practice intensive cultivation to increase rice yields has developed extensively and has become increasingly deep. By 1985 the highyield rice area had been expended to 1.5 million hectares. Many models of good intensive cultivation of rice have appeared in nearly all areas of the nation, from the Red River Delta and the northern midlands and mountain areas to the provinces of the former Zone 4, the provinces of the central coast and the Central Highlands, the eastern Nam Bo area and the Mekong Delta. Everywhere there has been good progress with regard to rice yields and output, although difficulties have been encountered in some reasons and in some places.

Although many difficulties are still encountered in the winter-spring rice season, it is a production season capable, with intensive cultivation, of attaining high and relatively stable yields. The annual winter-spring rice yield increased from 22.7 quintals per hectare in 1980 to 35.5. quintals per hectare in 1985. During the 1985 winter-spring season, 87 districts attained yields of 40 quintals or more per hectare. Hong Ngu district (Dong Thap) attained 64.96 quintals per hectare, Cai Be District in Tien Giang attained per hectare, Dan Phuong District (Hanoi) attained 59.25 60.6 quintals quintals per hectare, and Krong Ana District (Dac Lac) attained 57.4 quintals The Xuan Phuong cooperative (Xuan Thuy District, Ha Nam Ninh per hectare. Those results clearly Province) atained more than 83 quintals per hectare. indicate the great capabilities with regard to intensive cultivation in the winter-spring season, which must be exploited.

The summer-fall rice season has also been expanded and has become a high-yield crop, especially in the southern provinces. Many provinces in the central coastal area, in eastern Nam Bo, and in the Mekong Delta, Nghe Tinh, and Binh Tri Thien have changed some of their unstable, low-yield rice and subsidiary food crop land over to growing summer-fall rice, with new rice varieties which provide higher yields. In 1985 the nation as a whole planted 853,000 hectares, the yield was 33.5 tons per hectare, and output was 2,861 million tons.

The 10th month rice crop is the production season with the greatest area and output, but severe difficulties are often encountered because of such natural diseasters as rain, storms, waterlogging, etc. In recent years, many places in the north have expanded their early 10th month rice area and have gradually expanded the use of new, high-yield varieties which are flood-resistant. In Nam Bo the quickly maturing rice varieties have been expanded to replace the slower maturing varieties, so rice yields have been gradually increased, from 19.2 quintals per hectare in 1980 to 23 quintals per hectare in 1985. However, the 10th month season is still one with many limitations which must be resolved with regard to both the variety structure and the materialtechnical conditions, in order to ensure high and stable yields and output.

With regard to subsidiary food crop production, although there has been no notable transformation, and although it is a weak aspect, since 1984 all-out efforts have been made to keep subsidiary food crops from declining. In 1985 subsidiary food crop production in paddy equivalent was 2.3 million tons, a little more than in 1983 and 1984, but less than in 1980 (when 2.7 million tons were produced). In 1985 subsidiary food crops accounted for only 12.5 percent of the total grain output.

Subsidiary food crops declined in part because of a shift to industrial crops, But the main reason was effective. which are economically more effective. But the main reason was that intensive cultivation was deficient and Recently corn production in a subsidiary food crop yields were very low. number of places, especially in Hanoi, has developed well. During the 1985 winter-spring corn season, due to the expanded use of new varieties with high yield potential, accompanied by increased investment in fertilizer and the promotion of intensive cultivation, there was brought about a new development The municipality of Hanoi led the way in corn with regard to yields. production and attained a yield of 25 tons per hectare. Dan Phuong District attained 40.56 tons per hectare and the Phuong Dinh cooperative attained 55 The growing of corn between two rice crops, not only on tons per hectare. well-drained land but also on low-lying land, is opening up prospects for liberating part of the river bottom corn land for growing industrial crops for export. The "corn mound" method on low-lying land has also provided a good method of restoring production when the 10th month rice has been inundated in low-lying fields and there is no time for replanting. The localities have also been concerned with expanding the white potato and sweet potato areas and with practicing intensive cultivation. They have attained high yields and created capabilities for new development in the production of subsidiary food crops during the next few years.

The transformation and accomplishments on the grain production front, especially in rice production, have contributed to increasing average percapita grain production from 268 kilograms in 1980 to 309 kilograms in 1985. Seventeen provinces have attained an average of more than 300 kilograms per However, many difficulties are still being encountered in grain person. production, which is not yet stable. It is still a serious, difficult problem In order to meet the goal of stabilizing and improving the for our people. for living conditions of a growing population, create favorable conditions comprehensively developing agriculture, and contributing positively to socialist industrialization, greater efforts must be made in grain production, to ensure sufficient grain for consumption by society and for stockpiling. The urgent needs for grain requires that priority be given to meeting the needs of grain production, including grain and subsidiary food crops, by investing in building material-technical bases, materials, and technical labor, amending and supplementing the policies encouraging grain production, and strengthening the management of agricultural cooperative and production collectives.

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FARMERS PRAISED FOR OVERCOMING OBSTACLES, FULFILLING NORMS

Hanoi NHAN DAN in Vietnamese 9 Dec 86 pp 1, 4

[Editorial: "Collective Peasant Class Heads Toward the Party Congress"]

[Text] This year, major natural disasters have seriously damaged many areas and many agricultural production bases in the country. The farmers in these areas have bravely and calmly overcome the effects of the disasters, quickly restored production, and stabilized life. They consider this achievement to be their offering to the Party Congress. Even though Ha Nam Ninh and Thai Binh provinces have suffered flooding and waterlogging and a serious outbreak of harmful diseases, tenth-month rice yields in these provinces were still higher than those of the 1985 tenth-month season and yields were approximately the same as those in 1985.

During the past months, in the fields and rural areas, tens of millions of farmers in almost 515,000 cooperatives and more than 27,000 agircultural production collectives have scored many new achievements to greet the Sixth Party Congress. In conditions in which there have been shortages of materials, energy, and draft power and in which difficulties have been encountered as a result of the price fluctuations, with much support from the working class and socialist intellectuals, the peasant class has had a rather good tenth-month season. The farmers have harvested all the tenth-month rice and stepped up the north, the subsidiary foods crops and In winter-season production. winter-season industrial crops areas have expanded well, with the area being more than 60,000 hectares larger than at the same time last year. Although the planned targets for area have not been hit, with a resolute and creative labor spirit, the southern provinces have sown and transplanted more than 1.63 million hectares of tenth-month rice, and the first plantings produced good yields. In many localities such as Lang Son, Ha Bac, Hai Hung, Hanoi, Thai Binh, Ha Nam Ninh, Quang Nam-Danang, Nghia Binh, and Phu Khanh, the people are working bravely and quickly overcoming the effects of the storms and typhoon No 5. They are protecting and quickly harvesting the tenth-month rice and actively expanding the winter and winter-spring vegetable and subsidiary foods crops area with a concept of striving to fulfill the norms in the 1986 agricultural production plans.

A number of localities have satisfactorily implemented the economic contracts between the state and the cooperatives, production collectives, and peasants, and this has helped to expand production and mobilize large forces. However, because the management of materials from top to bottom has not been improved, large quantities of materials and commodities that the state had reserved for the economic contracts with the cooperatives and farmers have found their way to the free markets. The farmers have not received enough materials or commodities based on the directed prices stated in the economic contracts. They have had to purchase chemical fertilizers, insecticides, and gasoline and oil at the free markets at much higher prices. As a result, the state has encountered difficulties in purchasing grain. These shortcomings have had a negative impact on the emulation movements of the collective peasant class.

As the party congress approaches, farmers throughout the country are starting work on the winter-spring production season with a lofty spirit of responsibility. They are striving to exceeded the planned area of 1.85 million hectares of rice and have an average yield of 39 qunitals per hectare and a total paddy yield of 7.2 million tons. They are making full use of the arable land, labor, and farming practices in order to produce 1.1 million tons of subsidiary foods crops converted to paddy equivalent and increase the short-term industrial crops area 30-40 percent as compared with last year's winter-spring crop. Through specific revolutionary actions, the localities are organizing millions of man-days to build water conservancy projects, improve the fields, and produce and process additional fertilizer, and they are arranging a rational crop cultivation pattern and implementing technical and intensive cultivation measures in order to create material conditions to ensure that the production plans are fulfilled.

People directly involved in agricultural production have contributed millions of ideas to the party congress. They have honestly criticized many echelons and many sectors for not regarding agriculture as the leading sector, not supporting agriculture fully, not resolving the relationship between the duty of the farmers to contribute to the country and the rights of the farmers, not revising the incorrect policies on relationships, and not looking after the material and cultural lives of the peasants. Together with the party, millions of peasants have directly participated in formulating positions, measures, and policies on expanding agriculture in all respects and solidifying the new production relationships in the rural areas.

The collective peasant class has a profound understanding of its heavy responsibilities in contributing to the implementation of the three programs mentioned in the draft political report to be presented at the Sixth Party Congress. These are the food, consumer goods, and export goods programs. These three programs require great effort, unselfish labor, and the revolutionary spirit of the collective peasant class in order to contribute to hitting these major targets. The decisive thing is to correctly resolve the relationship between the state-national economy and the cooperatives and agricultural production collectives, improve management within the cooperatives, perfect the product contract formulas for groups and laborers, and tie building new production relationships and building the material and technical base to building the new socialist rural area. As we approach the party congress, the peasant class is making an effort to apply the technical advances, actively engaging in productive labor, solidifying the new socialist production relationships, expressing its confidence in the leadership of the party, and voluntarily implementing the resolution of the Sixth Party Congress.

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## HEAVY INDUSTRY AND CONSTRUCTION

PRODUCTS OF NATIONAL DEFENSE FACTORY DESCRIBED

Hanoi NHAN DAN in Vietnamese 8 Dec 86 p 3

[Article by Duy Phuc: "The M3 Factory Supports National Defense and the Economy"]

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[Text] The M3 national defense factory has constantly striven to fulfill the planned norms. On the average, production has increased 15-17 percent a year. The factory produces electronic components using domestic raw materials and assembles and produces a number of types of signal and liaison machines. In 1982, the percentage of assembly and production work as compared with repair work was 32 percent. This has now increased to 61 percent. Ten- and 40-number telephone exchanges and GK3 couplers manufactured by the M3 factory have gradually replaced those purchased from abroad.

The products produced and repaired by the M3 factory directly support the command, combat, training, and productive labor activities of the military and affect the work strength and lives of the soldiers on both the drill ground and the battlefield. The factory coordinates things with the Vietnam Institutes of Science, the institutes of tropical chemistry, technology, ferrous and nonferrous metallurgy, and the polytechnic colleges, and universities. and signal and liaison schools and applies the scientific and technical advances to the important tasks such as drawing up plans, conducting tests, expanding production, and controlling product quality. Every item that is repaired or produced is inspected carefully by the workers, sections, work shops, and product quality control office. Carrying on end-product and unfinished-product accounting and organizing the production chain based on specialization are active measures for increasing labor productivity and product quality. The plant regularly holds meetings on quality with the military services and branches and sends technical cadres to the primary level units in order to gather information on the situation regarding use quality and implement measures to solve the problems and correct things. Since 1983, the goods produced or repaired by M3 have met the technical requirements. The use value has been good, and forms have been attractive and in accord with the combat and production requirements.

The plant has conducted studies and supported the important economic sectors by producing products requiring high technology. Such products include DS-92, DS-93, and DS-94 meters, calibrators, pH indicators for the agricultural sector, thermometers to protect the granaries, and so on. The A236 meters produced by M3 are a leading product that belong to the group of measuring devices awarded the state seal of quality. This type of meter replaces most of the meters imported from abroad.

M3 also produces many types of export goods.

Coordinating the economy with national defense when conditions permit, the plant has constantly improved electrical and mechanical manufacturing techniques, invested in modern equipment, done studies on scientific and technical projects, and actively formulated plans to supply materials and raw materials. During the past period, with more than 1,000 innovations and improvements, the unit studied 122 scientific and technical topics, two of which had been proposed by the state, and saved materials and raw materials worth millions of dong. In 1985, at the economic-technical fair held at Giang Vo, three of M3's products, the A236 meter, the GK3, and the 10-number telephone exchange, were awarded gold medals.

The M3 factory is a model unit of the signal and liaison branch. It is providing excellent support for the economy and national defense. For many years now, the factory's party organization has been known for being pure and strong in all respects.

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### HEAVY INDUSTRY AND CONSTRUCTION

PROGRESS, SHORTCOMINGS IN INDUSTRIAL SECTORS REPORTED

Hanoi NHAN DAN in Vietnamese 8 Dec 86 p 2

[Unattributed report: "The Industrial Sectors in Recent Years: Production Capabilities Have Increased; Results, Productivity, and Product Quality Have Declined"]

[Text] Overcoming the difficulties concerning materials, raw materials, and energy and gradually changing economic management, during the past 5 years (1981-1985) the industries in the country have put forth effort and scored a number of achievements. Industrial production has increased an average of 9.5 percent a year as compared with the yearly average of 0.6 percent during the period 1976-1980. Production capacity has increased by 456,000 kilowatts of electricity, 2.5 million tons of coal, 2.4 million tons of cement, 33,000 tons of fiber, and 58,000 tons of paper.

In the south, the Vietnamese-Soviet Joint Oil and Gas Enterprise has put five oil wells into operation and is preparing to assemble drilling rig No 4. The country has two more more large cement plants, the Bim Son and Hoang Thach plants. Each plant has a capacity of 1.2 million tons a year. Each year, an additional 300,000 tons of phosphate fertilizer, 55,000 tons of paper, 48,000 cubic meters of processed lumber, and 280,000 spindles are being produced.

The electricity sector has supplied almost 21 billion kilowatt-hours of electricity to meet the needs of production and consumption. The sector has given attention to restoring and building more than 200 small hydroelectric stations with an equipment capacity of 25,000 kilowatts. Along with creating sources, the sector has concentrated its efforts on building a network of high- and low-voltage carrier lines. With respect to the high-voltage network alone, three systems have been built, from Lang Son to Vinh, from Binh Tri Thien to Quang Nam-Danang, and from Phu Khanh through Ho Chi Minh City to a number of provinces in the Mekong Delta.

The coal sector has put a number of new coal mines into operation and constructed and installed a number of port bridges and sorting equipment. It is hoped that in the coming years, the amount of coal extracted and the amount of overburden removed will increase greatly as compared with previous years. The machine and metallurgy sector has determined a new course that is more in accord with the special characteristics and needs of the country. Traditional machine products have been expanded. At the same time, the sector has diversified its products in order to exploit the existing potential and support the agricultural and consumer goods production sectors. As compared with the value of gross production of the entire sector, the value of machine products that support agriculture has increased from 27 percent in 1981-1982 to more than 37 percent in 1985-1986, the value of consumer machine goods has averaged 6 percent a year, and the value of export machine products has averaged 5.7 percent. It is worth noting that the sector has put a stop to the decline in steel. In 1985, the production of rolled steel increased 71 percent a year.

Production in the chemicals industry has increased 10 percent from previous years, which has contributed to supporting agriculture. In particular, output of phosphate fertilizer fulfilled the norm in the 5-year plan 1 year ahead of schedule. The sector has put the phase-two project at the Lam Thao superphosphate plant into operation and is building a plant to enrich Lao Cai apatite ore. At the same time, it is gradually making long-term investments and installing new equipment in order to increase the volume of production and improve the quality of the fertilizer produced for agriculture and of a number of basic chemicals needed by other economic sectors.

The geology sector has reorganized management and tied conducting resource surveys to needs for mineral products. The entire sector has carried out more than 350 geological tasks to support many national economic sectors. In conducting surveys, the sector has concentrated on three things: conducting surveys for mineral products of high economic value that have great potential, conducting surveys for minerals that are in urgent demand, and conducting surveys for minerals to support agriculture and local industry. These geological activities have made an important contribution to evaluating the country's potential concerning mineral resources and created a basis for formulating plans for economic and stragetic zoning and national economic and social development.

On the consumer and export goods production front, the light industries and food industries have made new advances during the past 5 years. Although there are still few commodity products and the quality of the goods is not high, these two industrial sectors have begun to make investments, exapnd, and produce larger quantities of commodities to satisfy the essential consumer needs in the country and increase the export value. The textile, sewing, pottery, crystal, and sundries sectors are engaged in joint operations and international cooperative ventures. As a result, many difficulties concerning materials, raw materials, and spare parts have been overcome, innovations have been made in products, and the quality of the products has been improved. Many of the textile sector's production installations have not only restored previous capabilities but also balanced things and begun producing many goods of high quality.

Because of coordinating things between the raw materials areas and the processing installations, the food industry sector has implemented an

industrial-agricultural structure. The area planted in raw materials crops has been expanded and processed products have increased greatly. As compared with 1980, the production of sugar, cigarettes, vegetable oil, canned goods, canned milk, beer, and liquor has increased. In particular, the volume of production of sugar and cigarettes has exceeded the norms set at the Fifth Party Congress.

However, in organizing the production structure, arranging investments, and putting forth a number of planned norms, things have been done in a subjective manner and with too much haste. Economic results, productivity, and quality have been low. The consumer goods production industry, including the small industry and handicrafts sector, has been slighted concerning investments, policies, and organization. Heavy industry has not provided timely support for agriculture, which is the leading front, or light industry. A major shortcoming is that little has been done to reorganize the production installations in order to overcome the biases and irrational aspects. The limited sources of energy, raw materials, and materials have not been concentrated on the key production installations in order to make the best use posisble of the existing production capabilities.

As the Sixth Party Congress approaches, the cadres, workers, and civil servants in the industrial sectors must resolutely change their thinking, particularly their economic thinking, and implement the new management mechanism in order to increase productivity, improve quality, and achieve better results.

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## INSECTICIDE SUPPLY, PRODUCTION PROBLEMS DISCUSSED

Hanoi NHAN DAN in Vietnamese 4 Dec 86 p 2

[Article by Nguyen Luat, director of the Southern Insecticide Corporation: "Insecticides for Agriculture"]

[Text] Insecticides are essential for protecting the crops. In our country, if we had enough insecticides and if insect control activities were organized well, we could reduce losses for agricultural production by 2-3 million tons of paddy a year and increase yields of other types of crops and subsidiary food crops.

In order to produce insecticides for agriculture, the Southern Insecticide Corporation has taken over and improved almost 10 private enterprises and installed much modern equipment. Now, the insecticide production chains of the corporation have the capacity to produce up to 35,000 tons of products a year, which is enough to satisfy the insecticide needs of the entire country. The corporation has well-trained and experienced cadres and highly skilled workers who can produce many valuable products of high quality that are in no way inferior to imports. The farmers in the country have great confidence in these products. Calculated in foreign currency, production costs are usually 25-30 percent lower than the price of imported products.

However, because of various problems concerning mechanisms and indecisiveness concerning the responsibilities of the sectors, there have been shortages of raw materials and materials for carrying on production, and the corporation's yearly volume of production has gradually declined. In 1980, the volume of production was only one-third of that of 1976. During the period 1980-1985, even though a great effort was made to become self-sufficient, the yearly average volume of production was only two-thirds of that of 1976. This year, production at the corporation has encountered even more difficulties and so the volume of production will be even lower than last year. As a result, there will not be enough insecticide to supply to the farmers. This will lead to crop losses. Moreover, there are many negative aspects in management.

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In order to solve the production problems and supply insecticides for agriculture in a stable and continuous manner, we propose:

1. The state must affirm that managing and producing insecticides, conducting studies, and building production installations is the responsibility of the chemicals economic and technical sector. Because this is a very complex and dangerous technical sector, there must be a rank of technical cadres and workers who have undergone specialized training. Also, there must be special equipment and special production management measures. Things cannot be done in an arbitrary manner.

2. In implementing the spirit of (Draft) Resolution No 306 of the Political Bureau and the new economic viewpoints of the party to the accounting problems and manifesting the independence of the production installations, the state should allow the consumer installations to sign economic contracts directly with the production installations in order to ensure that larger and larger quantities of good-quality insecticide are produced on schedule and at reasonable prices and to provide good support to agricultural production. At the same time, conditions must be created to enable the installations that produce insecticides to expand.

3. In case the state does not approve the proposal to allow the consumer installations to sign contracts directly with the production installations, each year, based on the agricultural season and the area under cultivation, the agricultural sector should make predictions concerning the harmful insects and disease situation in order to formulate plans on the amount of insecticide needed and submit a requisition to the production sector. The chemicals sector is responsible for obtaining raw materials and organizing production. The products will be delievered to the agricultural sector for distribution to the localities based on the plan. And in order to reduce the number of middlemen, the localities can pick up the goods at the enterprises, or the enterprises can deliever the goods to the localities.

4. Insecticides are an essential material for agricultural production. The state should give special attention to this and make it convenient for the corporation to continue building, upgrading the equipment, improving product quality, and lowering production costs. Above all, emphasis must be placed on building installations to produce chemicals from domestic and imported raw materials in order to save as much foreign currency as possible for the country. Money must be invested in building installations to study and apply the technical advances made in the world and to expand the sector and provide support for agriculture nationwide.

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# HEAVY INDUSTRY AND CONSTRUCTION

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### BRIEFS

YEN LINH CEMENT MILL--By the end of November the Yen Linh cement enterprise (Han Tuyen) had completed its plan to produce 6,526 tons of cement in 1986. In addition to its primary product, the enterprise quarried 5,000 cubic meters of rock to supply to the Bai Bang paper mill [Hanoi NHAN DAN in Vietnamese 11 Dec 86 p 1] 5616

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## HO CHI MINH CITY ENCOURAGES COLLECTIVE HANDICRAFTS

Hanoi NHAN DAN in Vietnamese 11 Dec 86 pp 1, 4

[Article: "Ho Chi Minh City: Some Regulations and Policies to Encourage the Development of Small Industry and Handicrafts in the Collective Economic Sector"]

[Text] In order to increase the volume of social goods and provide jobs for many workers, and achieve social justice, the Ho Chi Minh City People's Committee recently approved a number of of regulations and policies to encourage the development of small industry and handicrafts in the collective economic sector. With regard to obligations and rights, in addition to the stipulations made in the cooperative statutes, cooperative members receive short-term and long-term specialized professional training in state schools The children of members of high-level cooperatives receive and classrooms. the same educational benefits as the children of cadres, workers, and state They receive social security benefits and medical benefits civil servants. Cooperative members receive funded by the municipal cooperative federation. grain rations according to amounts set by the state and depending on their sector or trade. They have socialist labor obligations, as do workers in With regard to property, the cooperatives are allowed to state enterprises. accept participatory shares from Vietnamese individuals or organizations abroad, in the form of money, materials, equipment, etc., in order to modernize their technology and material-technical bases, with no limits on the numbers of investments or the amounts. The cooperatives will take the initiative in finding markets and in determining the direction and scale of and will draft their own plans, with priority being given production. to fulfilling the norms of the state plan. They will fulfill economic plans in accordance with the mode of buying raw materials and selling finished products inside and outside the city's limits, reducing red tape, and approving They are authorized to buy surplus, contracts within 3 days or less. and waste materials of the state organs and unmarketable. rejected, The state will supply them materials and raw mateirals directly enterprises. if they sign economic contracts with the state, and may receive materials and humanitarian organizations, international equipment from the aid organizations, and organizations of Vietnamese living abroad.

The cooperatives are authorized (in addition to products produced in accordance with contracts signed with the state), to market products at

negotiated prices, and retain part of their products to exchange for materials. The state encourages the cooperatives to find foreign markets and to use their own capital to send people abroad to study the market, and allows the high-level cooperatives, on a trial basis, to use foreign exchange earned from exports to purchase means of production.

The cooperatives must register the prices of new products produced on a trial basis to test the market with the management organ and sell the products at those prices. The state does not set the prices of such products.

The salaries, and other allowances and subsidies of cooperative members correspond of the salaries and allowances of workers in local state enterprises in the same sector and trade. The cooperatives apply the mode of "product contracting" and pay wages in accordance with the principle of distribution according to labor.

With regard to exports, the profit norm is 10 to 20 percent higher than for ordinary products. As for taxes, in addition to the policies included in the Industrial-Commercial Tax Statutes there is a tax exemption of 1 or 2 years for products produced by equipment sent from relatives abroad and products which replace imports. Cooperatives which have only recently been set up and are experiencing difficulties are exempted from taxes during the trial production period. There is a tax exemption or reduction of between 6 months and 1 year for export products for which the cooperative has found markets. Export products capable of competing on world markets are exempt from taxes. Materials sent by relatives living abroad are exempted from taxes or taxed at a reduced rate. Modern equipment and valuable, scarce materials are exempted from initial taxes. Cooperatives which produce export goods for the state and are experiencing difficulties are exempted from income taxes.

The state bank lends sufficient production capital or capital to buy equipment to improve technology and expand production. Cooperatives which sign economic contracts with the state or enter into joint operations or alliances with the state receive priority in borrowing capital and withdrawing cash. Wellmanaged cooperatives may borrow outside the plan, as may state enterprises.

Products produced by cooperatives must meet technical quality standards. Their grade must be clearly stated, they must be guaranteed, and they must have labels. Cooperatives are authorized to lease or buy innovations, inventions, and technical secrets.

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### TRANSPORTATION AND COMMUNICATIONS

#### HANOI-VINH TELECOMMUNICATIONS LINE COMPLETED

Hanoi NHAN DAN in Vietnamese 11 Dec 86 p 1

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[Article: "Hanoi-Vinh Wireless Telecommunications System Brought Into Use"]

[Text] Celebrating the Sixth Party Congress, the heroic communications combat arm has brought into use the Hanoi-Vinh wireless telecommunications system, a modern technical project the economic-technical justification of which was approved by the state.

The people of the city of Vinh will be able to view programs broadcast by the central TV station during the time the party congress is meeting. The leadership organs of a number of provinces will communicate directly with Hanoi via that system.

The project was brought into use after 14 months of creative labor by the communications cadres and men, who overcame difficulties, transported millions of tons/kilometers of steel equipment, and construction materials safely, successfully built and erected eight antenna towers 10 to 62 meters high, and excavated nearly 19,000 cubic meters of earth and sand to create surface areas to erect more than 3,000 square meters of buildings to house machinery and equipment, transmitting stations, and living facilities. The communications troops studied designs and successfully manufactured a number of equipment items to install at the communications stations which meet technical standards.

In constructing the Hanoi-Vinh wireless telecommunications system, the communications combat arm saved for the state tens of millions of dong, including million of dong of foreign exchange.

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