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PEOPLE'S REPUBLIC OF KAMPUCHEA

Thai Reporter Meets Foreign Ministry Cadres, Notes Atmospherics

42070004 Bangkok SU ANAKHOT in Thai
31 Aug-6 Sep 88 pp 32-34

[Article by "Phai Sam Sek": "Phnom Penh Today,
People Everywhere Curse Pol Pot"]

[Excerpts] It was probably my outgoing and inquisitive nature that resulted in my going to Phnom Penh. I had to sit for more than 3 hours aboard a 50-seat aircraft amidst a scene that was not very pretty. I arrived there "blind," that is, that was my first trip there and I didn't know where I was going or what I had to do. All I knew was that I might have to stay a week. As for the details, the person whom I contacted said that "you will learn everything when you arrive."

The aircraft landed at Pochentong Airport just before noon. The airport is located about 20 km outside the city of Phnom Penh. I was told that when I arrived at the airport, an official from the foreign affairs ministry would be waiting to meet me and escort me into the city. The passengers who had arrived on the same flight began to leave the airport, where they had been greeted by other Cambodians. Finally, only I and a few others were left. I looked around but did not see anyone there waiting for me.

"Thai?" said a young man to me in a heavy accent. I nodded to him, the first person whom I had met, and was then surprised when he introduced himself and apologized for making me wait. He said that he had arrived at the airport 30 minutes before the airplane landed. But when he checked the manifest list, he did not see my name and so had gone off to ask this and that person.

"I must apologize for wasting your time," he said. I understood. He changed the pronunciation of my name (as a result of the long-distance telephone conversation) to Phai Sam Sek."

From the airport, we took a rundown Soviet-built Lada, which resembled a 125 Fiat. The young man who had met me at the airport drove me into the city. As we approached the city, the streets became more and more crowded. The buildings on the sides of the road looked very shabby, the effects of the war still very much in evidence. I couldn't help but feel sorry. Wars are always brutal and destructive.

When the young man saw me looking out of the car window in silence, he tried to strike up a conversation. He said that he couldn't speak Thai very well. During the time that Lon Nol was in power, he served in the air force as a flying officer. He had trained at Don Muang for 9 months.

"During the Pol Pot period, I fled to the countryside. Eight of my relatives were killed during that period. Three of my wife's relatives died. That was a terrible period for the Cambodian people. After Pol Pot was driven out, I went to work for the Ministry of Foreign Affairs, because I am fairly fluent in English. I am not a communist. I was a soldier during the Lon Nol period, but the government [PRK] does not consider me to be an enemy."

He said that at present, he is an official assigned to the Cambodian embassy in Czechoslovakia. By chance, he was on leave home for 3 months and so had been assigned the task of meeting me at the airport. He said that my interpreter and guide would meet me at the hotel after lunch. [passage omitted]

I stayed in a brand new hotel. They hadn't even finished putting up the sign. I was told that the name of this huge hotel was "13 October." It was just outside the city. The 13 October Hotel (13 October was the day that the Heng Samrin forces finally succeeded in driving out Pol Pot after seven attempts during the 3 years that Pol Pot was in power) is a military hotel. The owner is the Cambodian army. Normally, it is used to house military guests, including officers from allied countries. I didn't stay there because the military wanted to know me or give me any special honor. It's just that everything else was full and so I had to stay there temporarily before moving to some other hotel.

The hotel was very large. During the Pol Pot period, it had been used as the Chinese embassy, Pol Pot's great ally, with which the present government has severed relations. I asked one of the Cambodian employees at the hotel whether the fact that they had taken over the Chinese embassy and turned it into a hotel meant that Cambodia does not intend to have any dealings with China. He replied that at present, China and Cambodia do not have relations and so they wanted to make use of this building. If relations are restored in the future and they want this building back, they can have it back. He had to respond like this, because in politics, there are no "real friends or permanent enemies." [passage omitted]

Based on the things that I saw during the next few days, I realized that the people here do not talk about whether food tastes good but rather about getting enough to stay alive. If you ask a Cambodian to compare life today to life in the past, particularly during the Pol Pot period, they don't hesitate to say that life today is heaven. Life in the past was hell.

The Heng Samrin government (the person with real power today is Hun Sen, the prime minister and minister of foreign affairs) came to power 9 years ago. That is a very short period in which to revive production, which was totally destroyed by Pol Pot. At the same time, the effort to revive production is being done in the face of great difficulties, because the war along the Cambodian-Thai border has not stopped.

"We began from scratch, that is, we didn't have anything. We didn't have educated people or production tools. There was no morale. There was just emptiness and people who were terrified of Pot Pot," said Po Sivatha, my interpreter. Thus, small merchants have been allowed to trade freely and provide services to the people. All of the goods traded are imported from abroad. This relaxed policy of the government is evident throughout the city. "The government just collects taxes and supervises things to ensure that the people aren't exploited," said Po Sivatha.

Thus, it should not come as any surprise that all types of Thai goods such as noodles, detergent, and Samit 14 brand cigarettes are on sale throughout Phnom Penh. They even sell motorcycles. Most of the Thai goods enter the country through Kong Island. "The goods that we send to Thailand include gemstones, most of which come from Phailin. You can exchange baht anywhere. The baht is just as important as the dollar," said a Cambodian merchant to me. That is probably true. I exchanged baht for Cambodian money at a rate of 1 baht for 5.5 riel.

I and my interpreter, Po Savattha, became more and more close. At the beginning, she did not say very much. But later on, she began to tell me things like a friend. There were no obstacles in terms of political ideals even though I had come from an "enemy" country.

Po Sivatha, age 31, has two children. Her husband is a government official, too. She began studying English during the time that the Americans were in Cambodia. Her eldest child was born during the Pol Pot period and is now 10 years old. That was during the period that she and her family had to leave Phnom Penh and live in the countryside. Her child was born at a time of great hardship. They never knew when they would be killed. Today, she and her family feel as if they have been reborn. She works for the Ministry of Foreign Affairs. But deep scars remain from the past. [passage omitted]

Po Sivatha comes from a wealthy family in Phnom Penh. Like everyone else in Phnom Penh today, she has survived a terrible period. She is not a communist. She admitted quite frankly that as someone who has traveled to many countries, she prefers the capitalist countries. In particular, she would like to visit Bangkok. She said that she likes the Thai people. I was not surprised. Because wherever I went, when the Cambodians learned that I was Thai, they always expressed great pleasure. They did not show any displeasure at the fact that I came from a country that refuses to recognize their government and that supports the Khmer coalition government, of which the detested Pol Pot is a part.

As people from neighboring countries that share certain blood relations and cultural traditions, they expressed their closeness to me. It was like meeting relatives. Except for the places and language, which seemed somewhat strange, in general, the Cambodians seemed quite

familiar to me. I stayed in Phnom Penh 1 week. Besides travelling around the city, I also had a chance to visit Ankor Wat, or Nakhon Wat, in Siem Reap Province. I also visited several rural villages within 30 km of Phnom Penh. These were new villages that had been built as a result of the land reform policy of the Heng Samrin government.

On the day that I left, Po Sivatha took me to the airport. We had only a short time to chat. "Let me ask you frankly. During the Pol Pot period, why didn't you flee to Thailand like many others?" I asked. "All that I can say is that I am a Cambodian," she replied.

Kandal Province Militia Readiness, PAVN Presence Noted

42060005a Vientiane PASASON in Lao 22 Jul 88 p 3

[Report by Vongthanou: "The Armed Forces of the People of Cambodia Steadily Increase in Size and Strength"]

[Excerpts] [Passage omitted] On our last visit to the People's Republic of Kampuchea, this group of reporters had the opportunity to observe the military training of a guerrilla company which was carrying out its duties and maintaining the peace in Ban Piam-ouya-ong Village, Lovea-em District, Kandal Province.[passage omitted] This guerrilla unit has been in existence since the country was liberated. It has always stood shoulder to shoulder with the people of the village in order to maintain the security of the village, organize reliable watches, set up inspection units, and keep track of any enemy operations which might occur. [passage omitted] Everyone participated with determination in the daily military training. When we asked Comrade Sisa-et, the village tailor, what he thought, he said: "I feel that we have been safe ever since liberation because of the coordination and effort of this guerrilla unit in defending the peace of the village; none of the enemy have been able to cause any disturbances in the village. As the Vietnamese volunteers withdraw to their country, we miss them because when they were carrying out their internationalist duty to the proletariat in our country, they not only fulfilled their duty to protect the peace but they also took part in building and repairing houses and helping our people. Even though they will return to their country, we still have faith in the leadership of the Cambodian People's Revolutionary Party, in the strength of the special solidarity between Cambodia and Vietnam and among the three nations of Indo-China, and in the armed forces of the Cambodian People to defend the peace of this village and to preserve the accomplishments of the Cambodian revolution. We and all the people of the village stand shoulder to shoulder with the members of the guerrilla unit; we are their ears and eyes and resolutely oppose every scheme of the enemy." [passage omitted]

Transport Corporation Operations, Military Role Described

42060005c Vientiane PASASON in Lao 6 Sep 88 p 3

[Report by Douangdao: "The Land Transport Corporation of the People's Republic of Cambodia"]

[Excerpts] The Land Transport Corporation affiliated with the Ministry of Transportation and Post has been an outstanding corporation for the past 2 years. It has been able to seize the victory banner for 2 years, 1986 and 1987, and in 1988 it is struggling to keep the banner.

Regarding the history of this transport corporation, before the time of Pol Pot it was a private firm. Under Pol Pot it was almost completely destroyed. After Pol Pot there was almost nothing left of it, including its specialists whom he killed and neglected. The revolution had to start from the beginning with two empty hands, with nothing. It had to find drivers who had survived, collect old vehicles and equipment and repair them, and put together some transport vehicles. On 27 July 1979 this corporation began again.

Since then the business of the corporation has gradually expanded. Initially it received some vehicles as assistance from a number of fraternal countries and international organizations, but now it buys vehicles from the state using credit. Financially the corporation is independent. It employs 1,265 cadres and workers (of these 855 are drivers), and it is responsible for their pay. It now has 764 vehicles capable of carrying 200,000 tons per year. In addition to transporting goods throughout the country, the corporation's transportation unit is very involved in defense activities; it helps to transport troops and equipment to the front. In transporting goods it services 700 locations in 21 provinces throughout the country. It also carries out the duty of requisitioning forest products from the people of various localities for the state. [passage omitted]

To facilitate operations the corporation has two vehicle repair shops. The standard of living of the workers has improved steadily compared with the past. At the offices of the transportation unit they raise crops as well as ducks, chickens, geese, and fish to improve their living standard. [passage omitted]

State-Private Firm, Pricing Structure

42060005b Vientiane PASASON in Lao 15 Sep 88 p 3

[Report by Douangdao: "The 'Mianchai' Cooperative for Glass Production"]

[Excerpts] The "Mianchai" cooperative for glass production is located in Cha-angre Canton, Mianchai District, Kandal Province, the People's Republic of Kampuchea. Glass production there is done by hand, but the cooperative still contributes to many areas of society including both the areas of economic materials and providing employment for the people there.

This cooperative is a joint state-private partnership with direct ties to the Ministry of Industry of the People's Republic of Kampuchea. It was set up in 1980, and the owner was Mr Ounseun. Initially he produced just a small amount to support his family. Later because the product quality was good, there was increasing demand from society. So he gradually increased production and cooperated with the Ministry of Industry.

Now this small factory is a major production unit under the control of the stockholders. There is an administrative committee running the factory just as if it were a business, and so operations are constantly improving.

For convenience the factory was set up on the shore of the Tonle Sap. The factory uses a great deal of water in washing the glass used as the raw material and in cooling the glasses after they are formed.

The cooperative includes 63 regular workers, and each year more workers come to train [for a job]. This year seven came. In addition many students come for work training during the dry season break.

The factory's production includes all types of glassware: lamps, water glasses, medicine vials etc. The raw materials come from within the country; they requisition broken glass and scrap glass of all colors. Part of this is supplied by the Ministry of Industry, and the rest comes from private individuals, which is the usual source. Production is sold at a price set by the state. Generally the state makes purchases with ngeun-on [funds transfer], and the factory buys scrap glass from the state with ngeun-on also. Production is sold to the state for 121 riels per dozen, and it is sold on the open market for 150 riels per dozen. [passage omitted]

Official on Increasing Tax Collection

42130014d Jakarta KOMPAS in Indonesian
28 Sep 88 pp 1, 12

[Excerpts] Jakarta, KOMPAS—The organizational structure of the Directorate General of Taxes will be radically changed in the near future. This will be done because at present the existing organization in the Directorate General of Taxes is no longer appropriate to the spirit of the new tax law, which has been in effect since 1984. Without such a major change the Directorate General of Taxes will find it difficult to reach its tax objectives. For fiscal year 1988/1989 the goal for collecting taxes is Rp 9.1 trillion. However in the first 5 months of the fiscal year only 34.4 percent of this total has been collected.

Marie Muhammad, the director general of taxes, in testimony given on 27 September before Committee VII of Parliament at the Parliament building in Senayan, did not provide further details regarding the changes. He said: "At present the new organization for the Directorate General is almost in final form and is being considered by the Department of Finance."

It is a pressing matter to bring into effect an organization appropriate to the new tax law. This is a step in the framework of increasing tax receipts by an average of 20

percent per year during the Fifth 5-Year Plan. Furthermore, a strong effort must be made to take more effective action toward achieving the objectives which previously were not reached.

According to the director general of taxes, he is not pessimistic about reaching the tax receipts goal for fiscal year 1988/1989. He stated that the important thing now is really to increase tax receipts in every KIP (Tax Inspectorate Office). Marie, who was installed in office as director general of taxes by Minister of Finance J. B. Sumarlin on 10 August 1988, stated: "This is a very important step. If we deviate from or fail to reach this objective, we must immediately take appropriate action." [passage omitted]

Not Yet Satisfactory

Later on the director general of taxes stated that the average increase in the total amount of taxes collected during the 5 years of the Fourth 5-Year Plan was 48.23 percent. Obstacles were encountered in achieving this increase. In general, the principal obstacle was that discipline in meeting tax obligations was unsatisfactory. Furthermore, expertise and skills in the Directorate General of Taxes still need to be increased.

Australian-Aided Port in Luang Prabang Nearly Finished

42060003b Vientiane PASASON in Lao 23 Aug 88 p 1

[Excerpts] Port construction in Luang Prabang that was begun in early June is now over 90 percent completed according to plan. It is 30 meters long and the concrete floor is 20-30 cm thick. Comrade Sangvan Soukhaseun, the construction engineer for the project, said that Australia provided the funding via the Mekong River Organization in the amount of \$300,000. Besides the basic part of the project, it also includes storage over 27 meters long and 8 meters wide. Construction of the port is expected to be completed soon.

Sisavat Keobounphan Receives Swedish Businessmen

*BK1111103088 Vientiane KPL in English
0902 GMT 11 Nov 88*

[Text] Vientiane, November 11 (KPL)—Sisavat Keobounphan, Politburo member of the LPRP CC, mayor of Vientiane Prefecture on November 10 morning received a group of Swedish businessmen who were accompanied by the Swedish ambassador accredited to Laos Olov Arthur Ternstrom.

While in Laos, the Swedish delegation is to collect data for the further cooperation and possible investment in Laos in the fields of trade, forestry and industry.

The discussion proceeded in warm and cordial atmosphere covered a number of matters, especially the ways and means to consolidate the relations and cooperation between Laos and Sweden. Mayor of Vientiane, on this occasion, wished them success in their visit here.

In the afternoon, Sisavat Keobounphan welcomed Ambassador extraordinary and plenipotentiary of Japan to Laos Terou Hayakawa. Various matters were raised during the meeting, especially the matter of the official visit to Japan of Sisavat Keobounphan at the invitation of the Ministry for Foreign Affairs of Japan (November 13-19, 1988).

Vientiane Signs Agreement With French on Tourism

*42060045E Vientiane VIENTIANE MAI in Lao
8 Jun 88 p 1*

[Text] From 28 May to 2 June, the Vientiane Tourism Enterprise negotiated with representatives from France's Pulmen Company about opening up tourism. An agreement was reached between Mr Phosia Khounbolai, chief of the Vientiane Tourism Enterprise, and Jacques Albert, a representative of the Pulmen Company, and also representatives of the International Travel Agents of France. The agreement states that from Feb 1989, the Pulmen Company will send groups of 15 French tourists to Laos. The groups will tour around Laos for 6 days. It specifies that tours in Vientiane and Luang Prabang be

tried out for 2 years. After this experimental period, if the results are favorable, both sides will again hold talks about continuing to expand tourism. The company's delegation was very interested in economic projects in Laos, especially in opening up foreign investment in the LPDR. The delegation was also impressed with the beautiful and hard-to-find scenery of the LPDR, including the smiles and hospitality of the Lao people.

Inefficient, Poorly Run SRV-Aided Enterprise Noted

*42060003a Vientiane PASASON in Lao
18 Aug 88 pp 2, 4*

[Article by Phou Vattana: "The Savannakhet-Ho Chi Minh Saw Mill Has Not Been Producing Well"]

[Excerpts] The mid-size Savannakhet-Ho Chi Minh saw mill is located about 150 km east of Savannakhet on Route 9. [passage omitted]

The saw mill is one of the achievements from the implementation of the memorandum on economic and trade cooperation between Savannakhet Province and Ho Chi Minh City of the SRV, in particular the trade memorandum between the Savannakhet Trade Company and the SAVIMEX Company of Ho Chi Minh City on exchanging goods yearly, a co-organized store, and a saw mill.

Construction of the Savannakhet-Ho Chi Minh saw mill corporation started in early 1987 following the signing of the memorandum in 1986; it was basically completed with installation according to plan at the end of the same year, and included two factory buildings, two workers' houses, one office, and two wooden storage areas.

Mr Somsouk Sengkham, director of the Savannakhet Trade Company, told us that in funding the construction and installation \$ 37,000 was used to purchase four saw mill machines, two (Sede No 4) and two (Sede No 3) machines, over \$ 9,100 was spent on purchasing equipment and spare parts, and a total of nearly \$ 100,000 was spent on construction labor and other expenses such as repair costs, fuel, office supplies and other services. Fifty-one percent of the funding came from the provincial trade company and 49 percent came from the SAVIMEX Company of Ho Chi Minh City.

The saw mill can produce lumber, parquet and pieces for domestic needs and for export. Exports are valued at \$178,000; however, when this is compared with the test production it amounts to only 85 percent of the plan.

At the beginning there were over 50 cadres and workers, 30 being Vietnamese and 20 being Lao. The Vietnamese are responsible for the technical aspects. There is a sawing unit, a shredding unit, a parquet production unit, a remnant unit and units for drying, bundling and storing. Basically the efficiency of the saw mill is low because it relies more on human labor than on machines.

Also, the factory spends 300-400 kip per day per capita without taking into the products according to the contract. Because of this, some workers take advantage of the situation by becoming lazy and working just enough to get by, and they are not as efficient as they could be. There is an absence of an atmosphere of emulation with high responsibility among the workers. There is much waste and few results. This is the way production was planned under the old ideology with no guarantee of work quality and results, delaying the expansion of production. However, it is believed that the factory will carry out the production plan assigned by the two companies from July on, and will solve any problems that remain.

Savannakhet Trade With SRV Province Described
42060045C Vientiane PASASON in Lao 18 May 88 p 3

[Article: "Cooperation in Progressing to Success"]

[Excerpt] Since the day Savannakhet and Binh Tri Thien Provinces were twinned, all their joint projects have progressed to productive conclusions, especially in the economic and cultural areas.

Trade is one of the most outstanding tasks to progress efficiently since 1985 among all the existing joint economic cooperation between the twin provinces. In 1985, the Trade Section of Savannakhet Province exported goods with a total value of 51 million kip to Binh Tri Thien Province; at the same time, Binh Tri Thien also exported various goods to Savannakhet, per its twin treaty, worth a total of 69 million Dong (Vietnamese currency).

Cooperation in trade between the two provinces grew increasingly through 1987 as the joint treaty was implemented by the trade sections of the two provinces. By 1986, both sides had increased the volume of goods traded. Retail stores were set up in the urban areas of both provinces, such as in the town of Savannakhet and the city of Hue. Sources of goods for distributing were sought inside and outside the country. Both provinces responded to the need and demand for goods, primarily to serve production, and appropriately and increasingly to improve the living standards of their people.

In 1987, the trade sections of Savannakhet and Binh Tri Thien Provinces finished setting up the Savannakhet-Binh Tri Thien Friendship Store in downtown Savannakhet. It is the first friendship store, and is supplied by the Lao-Vietnam Trade Cooperation Company of Binh Tri Thien Province. Goods include crabs, shrimp, and dry and fresh octopus; also, manufactured goods and handicrafts.

To continue to implement the joint treaty signed on 1 April 1988, the trade companies of the two provinces have also set up another friendship store in Hue, which the Trade Cooperation Company of Savannakhet Province will supply with goods. The Savannakhet Trade

Company initially sent goods worth 100 million Dong. The trading companies of Savannakhet and Binh Tri Thien Provinces have traded goods worth \$224,000 in 1988, which is higher than in the previous year.

Comrade Somphan Keobounsane, chief of the Savannakhet Trade Section, expressed his opinion about the success of each cooperative step in trade by the twin provinces of Savannakhet and Binh Tri Thien. He said upon the opening of the Binh Tri Thien-Savannakhet Friendship Store in Hue that cooperation in trade between the two provinces has not yet reached its highest yield. He said that supplies of goods are still inadequate, but that cooperation has become a beautiful thing for the friendship between Laos and Vietnam. He also confirmed that trade cooperation between the two provinces is more efficient and deeper, with new things for both provinces. [passage omitted]

SRV-Aided Fuel Depot in Oudomsai
42060003c Vientiane PASASON in Lao 26 Aug 88 p 2

[Excerpts] Construction of a 250 cubic meter fuel depot in Pak Beng District, Oudomsai Province, that began in early February is now nearly complete. The Lao Fuel Company had Bridge and Road Company No 675 under the Ministry of Communications and Transportation of Vietnam do the construction on a contract which cost over 36 million kip. Laos and Vietnam have helped each other to construct 2,615 square meters of road surface, pour 12 square meters of level concrete platform for measuring fuel, construct 452 meters of drainage ditches, pour 68.8 square meters of all purpose concrete, and install 10 gas tanks of 250 cubic meters and 420 cubic meters of a fuel line system.

Assistant chief of the Lao Fuel Company Comrade Sangvon Chanthavong expressed gratitude for the cooperation and assistance of the LPDR and SRV which led to the success of the company's main operation, which is now serving six northern provinces. [passage omitted]

In general, transporting fuel from the SRV to the LPDR involves many problems that must be solved, such as barge crossings, broken roads, mountain slides producing blocked roads in some areas, problems where bridges cross rivers, road slides, etc. [passage omitted]

Radionale for, Exceptions to Logging Export Ban Discussed
42060003f Vientiane VIENTIANE MAI in Lao 24 Aug 88 pp 2,4

["Talk" column by So Simouksavan: "Before A Forest Is Cleared"]

[Text] We have probably all read the news on 11 August in VIENTIANE MAI about an order of the Council of Ministers which emphasized a ban on logging exports. Prior to this, an order had been issued to stop logging exports since 1988. However, a compromise policy has

been granted by the party and the government to some Lao companies that had signed trade agreements with foreign companies, particularly when the Lao companies used foreign principal for the logging according to a mutual agreement. This is because of the fact that international law is involved in signing the agreements. Many companies that engage in the export business in Laos often get involved with obligations without being aware of it, or if they are aware they do it anyway knowing they cannot be released from their obligations. For example, they have signed trade agreements in advance while the trees are still standing in the forest. They miscalculate the time required for the operation, providing an opportunity for foreigners by allowing them to invest. When they were not able to do the work they would have to continue, or else the agreement would have to be changed in order to carry out this type of trade in the future. As a result, agreements with certain time periods dragged on without a knowledge of when to stop, with the forest already almost completely gone. However, there is good news that the Council of Ministers issued a stern order last July that once more emphasized the ban on logging exports at the end of 1988. The order has forced many sections involved to move fast in carrying out the agreements. At the same time, there has been criticism from those who stand to lose benefits because of the order, and who say that if we do not export logs what do we have for export that will bring in currency for national development. When only ready-made products are allowed, how can we assure their quality? There are not enough factories and saw mills in our country that would provide the large amount of currency each year that we earn from selling logs. How can we assure that the agreements will be renewed?

All these are the views of a small number of people who do not know what the word enough means, particularly those who are relatives of the ones who trade logs. Some have not finished building their houses, so they have to continue to destroy our nation's natural resources for the small and inappropriate "percent" benefits when they signed the agreements or when they acted as middlemen for foreign companies. Some have not yet paid off their debts to restaurants where they used to show off in eating during the time when they were in the business of selling logs to foreigners. Some have not yet gotten the necklaces, Lao copper belts and bracelets secretly promised to sweethearts when they asked the girls to be their secretaries to show off to the foreign managers of the companies for which they were agents, or when they were brokers working on a percentage basis without remembering that they were the owners of the country. Natural resources are the heritage of Laos, and forestry is important. They should have become a driving force for protecting and preserving the forest. Instead, they collaborated with foreign capitalists to swallow our forests, causing them to gradually disappear without being aware of the consequences. Why did the Council of Ministers order the ban on logging? What benefits do the Lao people, who are worthy of being the owners of the country, get from the forests?

I was involved with business affairs, including the logging business, for so many months that my friends began calling me a "logging magnet." However, I realize that it is very difficult for a writer to be a trader. But it takes a thief to catch a thief, and when we want to find out about trading we have to go into the trade business. Thus, I became an important person in the business for a period of time. Being acquainted with many high officials makes it easier for business contacts. I had to depend on the money from the foreign companies in order to develop a relationship with them, until I learned how they were swallowing up the Lao forests. The order of the Council of Ministers mentioned ways in which the traders disguise old and new logs. Is it true, and how do they do it?

First, a middleman would approach those who were classmates and whom they used to be close to, in order to use them to make connections to important people in business. This technique is truly effective. After getting to know a person over drinks and then becoming a good friend of the household of the one who has the right to sign business contracts, there is no problem in offering him a certain percentage that he would get if the contract were signed. Thus, it is not difficult to get an agreement signed. Even though the price for the nation's forest was far below its actual value and even with higher offers by other companies, this man would give permission to the one who had offered him a "percent" for his own personal benefit, and would reject the rights of others, saying that he came first. But he does not stop there. Even though the trees that can be cut down by his own logging company are the same number as he signed in the contract, he signs still further agreements with another company that offers a greater percent than the first. He then works out a plan for the buyers to pay for the logging costs. To do this he tells them: "We are short of cash. We depend on the buyers who can pay cash so the workers can receive cash payments promptly for the work to be done on time. Those buyers who need the wood in any case will agree to this. Of course, when he himself makes the investment the wood will be cut whether it is in the contract or not. The part that is not included in the contract would be approved in the new agreement. This is only because of money matters. Without being aware, the forests have already been gradually cleared. Signing of an agreement before having goods in hand has become a great danger to our nation's natural resources as mentioned. We will now examine the techniques that are used to disguise new wood so it will appear as old wood. The previous order of the Council of Ministers has banned log exports and the cutting of new trees as of late 1987, allowing only the taking of fallen trees and logs from where they would have been burned by farmers engaging in slash and burn agriculture, and carrying out unfinished agreements by selling these logs. They use a technique they learned from the manager of the foreign company, which is to burn newly cut wood so it would resemble old left-over logs, or by burning the roots of the trees with fuel oil so the new trees would quickly become like old dead trees. There are

other techniques to deceive the forest preservation committee and cause them to agree that the trees are indeed old left-over trees, old farm logs and dead trees. Those whose job is to sign sales agreements have an easy time by changing the dates of old agreements.

These are only a few of the techniques out of many that I saw in the school without walls in areas where there was a lot of wood. The Lao people who are the owners of the country have to buy wood at such a high price that even with a state salary we cannot afford to have our houses built. Land that was once shaded by trees has gradually been cleared. Tree-cutting has been carried out further and further, 20 to 30 km from the main road. Yet when student desks are broken, pieces of wood are used to reinforce the front and sides so the students can sit, even though at one time there were numerous trees once in that area that had been cut down. Many localities face serious flooding and drought as a result of the destruction of the forests, and the animals that once lived there have had to go far away. It can be said that it is now difficult to find a branch for a bird to perch on. The future for our nation is about to be the same as that of many other nations whose land has become red dirt, no rain, bare mountains, no water in the rice fields, and no streams for fish. These are consequences of the destruction of forests. The middlemen who are small in number among the owners of the country are happy with the "percentage" bribe by foreign companies, and have overlooked the consequences that they, the nation, and the majority of the people will have to face. They have also insulted their nation by claiming that with no logging exports there will be no foreign currency for the nation. This is the view of those with no intelligence to find ways to make the nation prosper without having to depend on forestry. Wood products that have been used for nearly half a generation that are manufactured today in Laos are beautiful and less expensive than those from abroad. Why then do we hear it said that the quality is not good? Another thing is that instead of asking the companies that want lumber to come and set up modern saw mills here in Laos, we agree to sell logs to them. In this way we waste a lot of time and labor. It is a mistaken and backward idea. In conclusion, it is not too late to correct the problem as the Council of Ministers has done by issuing another order as mentioned earlier, which will be good for the nation and for the people. For example, when there is a lot of lumber inside the country the people will be able to buy it for repairs or for building houses at a lower price than now, and Laos will be able to avoid the situation described. I am in absolute agreement with the ban on log and rattan stick exports in late 1988. I think that the order has come at the time it is needed, as I have already clearly explained the damage and the detailed techniques of those who have used up the forests for their own personal benefits. This order should be strictly followed, otherwise the forests in Laos will become bare.

'Cottage Industry' Tin Production Reported
42060003e Vientiane PASASON in Lao
31 Aug 88 pp 1, 4

[Article: "Phon Tiu Factory Encourages People in Cottage Industry Tin Production"]

[Text] In 1988 the Phon Tiu tin factory has given extensive encouragement to workers and the people in Phon Tiu Canton, Hinboun District, Khammouan Province for cottage industry tin production. Over only 2 months the Phon Tiu, Bo Neng and Nong Seun tin factories have been able to purchase over 20 tons from the people.

According to a report by Comrade Khampheng of the Phon Tiu factory board of directors, Phon Tiu Canton has 21 villages with a total of 1,301 families. The people in this area have been engaging in cottage industry tin production for a long time. For example, they collect minerals from the mountains and rivers in the Pathen Reservoir area to sell to the three tin production factories. The tin that the factories purchase from the people has been 51.76 percent. However, in the past the people in this area had not been widely encouraged to look for tin because the factories were not able to supply them with the necessary exchange materials, such as food, items for daily use, etc. If the factories are able to do this, the production of the people will be higher than before.

Luang Prabang Bank Activity Noted
42060003d Vientiane PASASON in Lao 1 Sep 88 p 1

[Article: "Luang Prabang Provincial Bank Provides Over 74.8 Million Kip in Loans"]

[Excerpt] At the same time when the masses were mobilized for saving deposits, in July the State Bank of Luang Prabang gave out over 74.8 million kip in loans to enterprises and stores within the province, including 26,339,000 kip for trade, 1,000,600 kip to industry, 268,480 kip to agriculture, 13,100,000 kip to collective production, 6,726,000 kip to Nam Bak District, 11,152,000 kip to Nan District, 821,000 kip to Xieng Ngeun District, 3,160,000 kip to Pak Ou District, 1,178,000 kip to Ngoi District, 4,383,000 to Phon Sai District, and 4,089,000 kip to Pak Seng District. [passage omitted]

Foreign Investment Code Analyzed
42000023 Bangkok BANGKOK POST in English
7 Oct 88 p 17

[Report by Alan Dawson]

[Text] Laos' Foreign Investment Code became law on 30 July. It is a 1,900-word, 32-article code which guarantees against seizure or nationalisation. It also forthrightly

allows the employment of foreigners. A major advantage of the Laotian law is its government body: all foreign-investment matters will be in the hands of the Cabinet. Alan Dawson reports.

The new Laos Foreign Investment Code (FIC) promises potential investors the sort of personal service and efficient paperwork that is a dream in most free-enterprise nations, let alone a communist state.

It remains to be seen just how many of its promises Laos is able to deliver on. But investor response to FIC began even before it was signed into law at the end of July.

Not surprisingly, most of the initial enquiries and excitement came from Thailand. More of a surprise was the apparent enthusiasm of many Western residents here.

Several high-profile Thai firms have joined the line of interested businessmen who wish to talk to authorities in Vientiane, or at the Lao Embassy on Sathon Road.

But they were joined from the start by medium-sized and small foreign firms doing business in Thailand. Most Westerners investigating the feasibility of investing in Laos don't want publicity yet, but there is no doubt that dollars, francs and marks will be joining the baht flowing northward.

"There's a general stigma on doing business with anyone in Indochina yet," a would-be American investor said. "My firm isn't going to take a high profile on this one. But so long as there are no restrictions on putting money into a Laos project, we intend to look very seriously at that country."

Laos is both specific and modest about its wants and needs from investors. It wants to develop its natural resources most of all and has no grandiose ideas of joining the jet-setting newly industrialised countries (NICs), such as ASEAN, in 20th-century economics.

Obvious Problem

Nowhere does the Laotian investment code mention preferred nationality of would-be investors. Yet, any attuned businessman or diplomat senses from a quick scan of the document that Thailand is the obvious target.

By contrast, big-brother Vietnam is aiming for the larger fish with its counterpart Foreign Investment Law which was enacted late last December. That, without doubt, is why Laos has been the early winner in attracting fast investment capital.

At least a score of Thailand-based concerns have signed contracts with Laos or are about to. A couple of dozen more investors are seriously considering sinking money into one scheme or another.

This despite the fact that obvious problems remain with doing business in Laos. Not the least of these is the hidebound and socialist economic rule of the communists, known officially as the Lao People's Revolutionary Party.

Many investors find encouragement in the statistics. They show Laos as a small (3 million), underpopulated (14 persons per square kilometre) and poor nation—one of the 10 poorest in the world according to the United Nations.

Salaries average perhaps the equivalent of 75 baht a month, supplemented by subsidised food and housing. Trade is minuscule.

Apart from narcotics, which are Laos' largest export by far, the country has few goods to sell for hard currency. Trade with Japan, its largest trading partner, was a measly U.S.\$14.3 million last year—with exports of an unbelievably low U.S.\$1.4 million.

To a businessman, these types of figures spell opportunity—if he can find cooperation from the authorities.

FIC became law on 30 July. It is a 1,900-word, 32-article code which guarantees against seizure or nationalisation. It also forthrightly allows the employment of foreigners.

The code especially seeks investment in agro-forestry, industries which use available raw materials and those which apply "sophisticated techniques" to produce goods for export.

A major advantage of the Laotian law over the Vietnamese version is its governing body. Vietnam has yet to name the men and women who will oversee its foreign investment. In Laos, the matter will be in the hands of the Cabinet.

Western businessmen and Thais alike see this as a major advantage.

"In Vietnam, we don't even know who to deal with, and it could turn out to be someone with no actual power," complained a European manager taking a hard look at opportunity in Indochina.

"In Laos, we deal directly with the government. And since the Prime Minister (Kaysone Phomvihane) is also head of the Communist Party, we deal at the very top of the policy-making chain."

The Laotian law allows both joint-venture investment with Laotian partners and wholly foreign-owned firms. But it does not address the question of potential Laotian partners. Presumably, the government will be the partner in some or all cases.

One troublesome clause limits investment to a maximum of 15 years. There is an escape clause from this for unspecified "specific cases."

Salaries may be paid in kip or foreign currencies as agreed upon at start-up. All banking must be performed through a Lao bank.

Another provision likely to give trouble to potential investors is in Article 9 of FIC. Under this, the foreign investor must bear all losses judged (by an unnamed body) to result from "out-of-date technology." It is specifically this type of imprecision which has hurt Vietnam in attempting to attract early takers for its investment opportunity.

FIC also punishes investment in hotels and trading, but even worse, it refuses to state what the punishment is.

Profit taxes are to start at a low 20 percent for special infrastructure investment. But for hotels and trading companies, the minimum tax is 35 percent. No maximum is stated in the Lao law.

On the other hand, investors can typically expect a tax holiday of up to 4 years—beginning from the first year profits are made.

But investors will have to figure still other unspecified taxes into their start-up budgets somehow. These include land tax, water-use tax, resources tax and others, not yet specified.

Import taxes will be levied at the current rate and may even be waived in special circumstances.

The major difference between most Thai investors and most Westerners thus far is that Thai companies are looking outside Vientiane. Other businessmen are less sure of life and opportunity outside the capital.

For example, senior executives of Phoenix Pulp & Paper Co. are looking into establishing a bamboo woodchipping project in southern Suvannakhet Province. The giant CP multinational, most famous for its chicken, is moving ahead quickly on an agricultural food scheme outside Vientiane.

Another Thai firm won a contract to supply electricity-generating equipment outside Vientiane. Although not technically under FIC, the deal won the approval of the Thai Government which allowed special border-crossing openings for the firm to export machinery.

Early Western response to the Laotian FIC has focussed more on the service industries.

At least two Thailand-based foreigners are discussing the tourism trade with Laotian officials. Another is negotiating contracts under FIC for the supply and maintenance of precision instruments.

Party Growth Inadequate; Still Too Many 'White' Zones

42060045B Vientiane PASASON in Lao 11 Jul 88 p 2

[Building the Party Column]

[Excerpts] [Passage omitted] The growth of the party or its party chapter membership and growth at the grassroots has been unreasonably poor. Quite a few villages or grassroots areas that play important roles in the political, economic, cultural and social, and defense and security areas are basically still "white." [no LPRP presence] They cover almost half of the villages in the country. This indicates that many party chapters are not working well. This matter requires additional attention from us; it does not mean that we can just let it slide.

In the task of expanding the party, our most important problem is quality in new members. We must adhere strictly to our standards in accepting new members into the party. On the one hand, we must solve the problem of narrowmindedness, which makes us unable to expand the party. On the other hand, we must solve the problem of accepting unqualified people as members. We must accept into our membership the outstanding performers among the masses, such as young men who have been tested on the production front and who are fighters who are highly cultivated, skilled, and knowledgeable in technology and management. We absolutely must not accept those with inadequate qualifications, such as those with only good conduct or who are nice persons or who want to be party members out of personal interest and for status. [passage omitted]

Ore Survey Conducted in South

42060045A Vientiane PASASON in Lao 7 Jun 88 p 2

[Excerpt] A survey of natural resources has been conducted in the southern part of our country. The Natural Resources Surveying Group for the South is affiliated with the Ministry of Industry and Handicrafts. It is located in downtown Pakse, Champassak Province. It has 35 workers, of whom 5 are women with a high level of expertise and 5 with elementary knowledge.

The survey was conducted in various areas, such as Champassak, Soukhouma, Sanasomboun, Paksong, and Pathoumphone Districts in Champassak Province, and Xaisettha and Samakki Districts in Attapeu Province. Such ores as aluminum, gold, copper and other materials were found in a 40 km² area.

Comrade Bountheuang Phengthavongsa, chief of the Natural Resources Surveying Group for the southern part of Laos, informed us that the survey had discovered 42 sites. In the future, he will continue to assess the value of mines found in Champassak, Saravane and Sekong Provinces. An analysis will be conducted and the survey summarized for 50,000 km² in the 3 provinces of Champassak, Attapeu and Sekong. [passage omitted]

Article Hails Atmospherics of Students' Trip to Thailand

42060045C *Vientiane PASASON in Lao*
3 Jun 88 pp 3, 4

[Article: "As Long As the Mekong Does Not Run Dry, Friendship Will Endure"]

[Excerpts] [Passage omitted] A team of 32 coaches and young athletes went to Chiang Mai in Thailand on 23 May 1988 to participate in the Friendship of Peace and the Thai-Lao and Lao-Thai Development Programs. [passage omitted] These had been postponed 4 months because of the actions of some bad persons in Thai political circles, particularly in the Ministry of Foreign Affairs. They had implemented a policy of confrontation with Laos and blocked cultural exchanges between Laos and Thailand. This visit nevertheless materialized because of the perseverance of Lao and Thai peace organizations.

We arrived in Nongkhai and were welcomed by Mr Nopphadon Konlabut, coordinator of the Friendship of Peace and Thai-Lao Development Programs and also president of the Young Men's Christian Association of Lamphun Province, and a group of students who came with leis of aromatic white carnations—the national flower of Thailand—to greet us in a friendly fashion. After we went through Immigration with our passports, we took off in a waiting bus that the Thai group had rented for us.

We left Nongkhai at 6:45 pm on 23 May, and headed for Chiang Mai via Udorn, Loei, Phitsanulok and Lamphun. On the bus, Mr Nopphadon introduced us to each other, then we enjoyed dinner on the bus. We arrived in Chiang Mai at 5:50 am the next morning, 24 May 1988.

After breakfast, we joined together to open the camp, under the name "Thai-Lao Youth Sports Camp." Dr Siriro, chairman of the Chiang Mai YMCA, presided

over the opening. He stated that, "The Thai and Lao are brothers. When we miss each other, we come and visit. The opening of this camp will bring understanding, which will lead to peace. We think this camp is a very important symbol."

In the afternoon, we paid a visit to the provincial governor, Mr Banchop Limcharun, who is also the director of the sole local daily newspaper and its printing plant, THE THAI NEWS. [passage omitted] On 25 May, we started our activities with a total of 32 students from such major institutions as Chiang Mai University, Mae Cho Agricultural School, and Payap Technological Institute.

We drew names, then searched out those persons, introduced ourselves, and became pals to talk with and help each other. Some of us got female students, some male students. We visited the four institutions from which the students at the camp came. We were warmly welcomed by their administrators and at one place were welcomed by the deputy dean. They all said that "We are brothers." Some spoke with a Chiang Mai accent, some with a northeastern one, such as Prof Niyom Phouicharoen, the deputy director of Payap Technological University.

In addition to the visit, we joined in all kinds of sports competitions. Lao youth won all the competitions, a total of four. However, victory is not the goal, but friendship, mutual understanding, cooperation, and cultural exchanges of art and literature are, so there will be more communication between Lao and Thai students. This joint activity of sports competitions will be the best means for increasing understanding. Thai students have received distorted information about Laos, especially concerning the issue of the three Lao villages and the Bo-Tenh Incident.

At the closing of the camp, both sides agreed to work hard to contribute to Lao-Thai brotherhood and to develop peace, particularly among the young people and students of both countries. [passage omitted]

Saudi-Based Bank Finances Mindanao Projects
42000028e Manila MANILA BULLETIN in English
22 Oct 88 p 5

[Article by Carlos C. Rabago]

[Text] The International Islamic Bank has pledged a sum of not less than \$1 million to finance various projects in Southern Mindanao and hasten its development, uplift the living conditions of the people, and help attain peace.

This was revealed by Office of Muslim Affairs Secretary Jamil I.M. Dianalan upon his return from Saudi Arabia where he paid a visit, among other Muslim dignitaries, to King Fahd; Abdullah Omar Naseef, secretary-general of Rabitah Tul Alam Al Islamie (Muslim World League); and Ackmad Mohammad Ali, president of the Islamic Bank.

Dianalan said he was accompanied by Candidato Gutuc, Philippine consul-general to Saudi Arabia; and Kharis Mikunog and lawyer Kunug Pumbaya, OMA's director for pilgrimage and endowment and external affairs, respectively, when he sought and obtained the bank's financial commitment for the improvement of Mindanao.

The projects proposed to be financed by the bank and approved in principle by its president are the following:

1. Irrigation project in Maguindanao covering 10,000 hectares.
2. An orphanage center to be built in Marawi City.
3. Additional funding for Macdom University in Zamboanga City.
4. Training center for out-of-school youths, also in Marawi City.

According to the secretary, OMA is now busy preparing the requirements for the release of the grant such as the feasibility studies and memorandum of agreement with the concerned agencies of our government.

PC Chief Reports More Details on CPP Foreign Funds, Sison's Host
42000028a Quezon City MALAYA in English
21 Oct 88 p 2

[Text] The Communist Party of the Philippines and its front organizations will be receiving some P3.9 million from several Belgian organizations this year, Maj Gen Ramon Montano, PC-INP chief, said yesterday.

Based on declassified military intelligence documents, the Belgium-based support groups allegedly financing the CPP New Peoples Army-National Democratic Front projects and those of their front organizations were

identified as the Bevrijde Werald (Liberated World)-Philippine Committee; the Party of Labor, a Maoist group which was the host CPP founder Jose Ma. Sison during his stay in Belgium in 1987; and the National Center for Development Aid, a group involved in aid projects for the Third World and is to be the largest among those supporting local communist projects.

Comelec Upholds Election of Detained Military Rebel

42000028d Manila MANILA BULLETIN in English
21 Oct 88 p 17

[Text] The Comelec has dismissed the electoral protest filed against former Col Rolando Abadilla who was elected vice-governor of Ilocos Norte in the 18 January elections.

Abadilla garnered 98,418 votes while the total votes of his five opponents was 89,950.

Abadilla's nearest opponent, Emerito Salva who got 49,690, had filed an electoral protest. Salva alleged that Abadilla is not a registered voter of Ilocos Norte. Abadilla presented to the Comelec his records of registration.

Abadilla also filed a motion to dismiss the electoral protest on the ground that the protest was not filed within the reglementary period of 10 days from proclamation. Abadilla was proclaimed on 22 January 1988.

The Comelec found that the protest was not filed within the period of 10 days. The Comelec ruled that the period within which to file an electoral protest is jurisdictional and can not be extended.

Abadilla is now detained at Fort Bonifacio in connection with the 27 January 1987 coup attempt. He is presently being tried by a military commission. Lawyer Pedro Q. Quadra represented Abadilla at the Comelec.

Capital Command Clears General Lim of Smuggling Charges

42000028b Manila MANILA BULLETIN in English
9 Oct 88 pp 1, 20

[Text] The Capital Region Command (Capcom) has cleared Brig Gen Alfredo S. Lim, superintendent of the Western Police District (WPD), of smuggling at the piers.

Col Emiliano Templo, Capcom deputy chief, said: "There is no evidence adduced during the investigation linking Brig Gen Alfredo S. Lim directly or indirectly to the alleged technical smuggling at the piers. As a matter of fact, he has directed the immediate release of cargoes apprehended by his men and strictly prohibited anyone in the WPD to escort, intercept and/or intercede for the release of cargo from customs."

Templo had been ordered by Brig Gen Alexander Aguirre, Capcom chief and Metropolitan Police Force (MPF) director, to investigate smuggling charges against Lim following a directive from Maj Gen Ramon E. Montano, PC-INP chief. Lim was linked by Commissioner Jose T. Almonte of the Economic Intelligence and Investigation Bureau (EIIB) to the irregularities at the customs.

Lim said that last 31 May, Lt Col Romeo B. Maganto of WPD Station 1 intercepted several vans but then he (Lim) ordered them released on Almonte's request.

Lim added that last 18 August, another shipment was held but EIIB official Guillermo Parayno told Col Aladdin Dimagnaliw of the WPD just to make it "a joint operation." Lim said he ordered the vans released when Parayno said the EIIB had coordinated with Generals Montano and Aguirre.

Tomorrow, the Senate ways and means committee led by Sen Mamintal Tamano will continue its investigation of smuggling activities at the piers.

Confidence in Local Officials Through Power Distribution Seen

42000028c Manila MANILA BULLETIN in English
21 Oct 88 p 6

[Editorial: "Distribution of Powers"]

[Text] At the Cabinet meeting last Wednesday, President Aquino decided to give broader powers to the regional offices of the various departments. In a memorandum to be issued soon, the regional offices will be given the power to appoint casual or seasonal workers and employees of the first level; approve requisitions of supplies, materials and equipment; contract for services, supplies

and equipment not costing more than P50,000; exercise certain management functions, and approval of claims for benefits under existing laws.

This is a continuation of the measures taken, albeit far apart, to decentralize government functions. In the sense that it is an expression of confidence in the officials assigned in the provinces, it is akin to the promotion of local autonomy.

Decentralizing a centralized government is no easy task. This is because the natural tendency of government officials is to hold on to their powers. The result, as seen in this country, is that the local government units—which are nearest to the sources of the nation's wealth—have had to implore the national government for funds from time to time.

The memorandum to be issued will mean recovery of common sense. There is no sense in an arrangement where the appointments of small employees in the provinces have to be approved by Manila or in an arrangement where the regional offices cannot procure small amounts of supplies and equipment.

The Cabinet must have seen that strengthening the regional offices will mean the strengthening of the entire government. Distribution or delegation of powers is a movement away from autocracy.

Assembly's Foreign Affairs Chief Views USSR, Security

42070010a Bangkok SU ANAKHOT in Thai
7-13 Sep 88 pp 28, 29

[Interview with Prasop Butsarakham, the chairman of the House Foreign Affairs Subcommittee, by Khan Chit; date and place not specified]

[Excerpts] Prasop Butsarakham once served as a deputy minister. During the previous administration, he was the deputy chairman of the House Foreign Affairs Subcommittee. Now, because this position went to the Social Action Party, he was appointed chairman of this subcommittee. SU ANAKHOT would like to take this opportunity to present his views to our readers.

[Question] Would you give us your views on the foreign policy that was recently submitted to parliament?

[Answer] I don't think that there is anything new about this policy. It's the same as the old policy.

I feel that foreign policy is a very important and complex matter. The government must speak the "market" language, that is, the language of the villagers. There are many things that the people don't understand. I have observed that very few people understand the government's statements. [passage omitted]

[Question] What do you think about the policy of trading with Indochina?

[Answer] I think that this is a very favorable period. General Secretary Gorbachev, the present leader of the Soviet Union, has taken steps to improve the world situation. What he has said is very clear. The previous Thai administration did the right thing by visiting the Soviet Union. That forced the Soviet Union to take a clearer position.

Actually, I think that the Soviet Union has been wanting to do this for a long time. They give Vietnam \$3 million a day. Even though that is not a huge sum, it's a waste of money. When Prime Minister Prem and Air Chief Marshal Sitthi visited the Soviet Union, both sides were ready to reach an agreement. They have put pressure on Vietnam to withdraw its forces from Cambodia. The Soviet Union probably feels that it can no longer serve as the world's policeman. The United States already learned that lesson. It's much better to be a merchant like Japan.

Instead of focusing all our attention on distant markets, I would like to see Thailand focus more attention on ASEAN markets, particularly four-factor type of goods. We have held talks with the ASEAN subcommittee. They agree with us. If we can cooperate with the Indochina countries, trade will expand greatly.

[Question] Will this affect security?

[Answer] Japan provides a good example. They are free. They trade with every country, including free-world and socialist countries. Have things improved or grown worse for them? If we agree that things have improved for them, why don't we use them as an example? Previous Thai administrators have thought too much. We have prohibited the sale of goods to Indochina. Because of this, Singapore has grown rich.

[Question] Do you think that that would be like the "farmer raising a cobra?"

[Answer] I don't think so. I think that it is only poor people who think about becoming communists. If the people of a country are prosperous, they will want to be free, or have a free democracy. In China, the "four modernizations" translate as capitalism. If the people are prosperous, no one will want to fight. Most of the people in jail committed crimes involving property. The jails are there to imprison poor people. In the United States and the other developed countries, the jails are there to hold those who are mentally unstable.

[Question] The minister of foreign affairs has established a political coordinating team. What do you think about this?

[Answer] I think that this should have been done a long time ago. Every ministry, bureau, and department should do this. Stated simply, the secretary must serve as coordinator. People have criticized things because they don't understand. There is nothing secret. The people don't know what is going on.

[Question] You and the minister of foreign affairs both belong to the same political party. Because of this, some people feel that there may be collusion between the two of you. How do you respond to this?

[Answer] Our subcommittee has 19 members. They come from several different parties. The chairman must remain neutral. There are two vice chairmen who are members of the opposition. The spokesman and the secretary belong to government parties, but the deputy spokesman is an opposition MP.

We discuss matters. We consider ourselves to be a subcommittee. We are not acting in the name of a particular party. At every meeting, the parties are "left outside the conference room." Everyone understands this. We are working on behalf of the people who elected us to office.

If the members of a subcommittee consider themselves to be members of the administration or part of the opposition, the work done by the subcommittee will not be constructive. Instead, there will be trouble, and the results will not be good for the country.

I think that having a unified subcommittee is very important. Foreign affairs is a very complex matter. Every word has meaning for the country. Thus, whenever we hold a meeting, we don't allow the spokesman to issue a strong statement. We summarize things. We feel that the spokesman is speaking on behalf of the subcommittee. If the spokesman happens to belong to a government party, it is not his job to make everything look good or vice versa if he belongs to the opposition. That would just confuse the people. We have to take responsibility together.

Businessman Explores SRV Trade, MP Backing Noted

42070009a Bangkok LAK THAI in Thai 22 Sep 88 p 4

[Text] Amidst rumors that relations between Thailand and Vietnam will be restored, with Maj Gen Chatchai Chunhavan, the prime minister, announcing that the policy of confrontation with Vietnam will be abolished and that we will begin trading with them, more and more businessmen are responding to the prime minister's new policy.

The owner of a large business and hotel, Sutthikiet Chirathiwat, the owner of the Central Department Store and the Hyatt Central Hotel, whose brother-in-law is a Prachakon Thai Party MP, has traveled to Vietnam. The person who served as middleman and facilitated things was Phiraphon Triyakasem, a former student leader during the 6 October [1976] period.

On 2 September, Sutthikiet and his wife, Aphasara, secretly flew to Vietnam together with Phiraphon. It is believed that besides discussing ways to invest in tourist and trade activities, they also discussed major projects such as building a hotel and department store in Vietnam. But they must be careful of being bypassed by Somphong Sarakawi, an advisor to the minister of interior, because he got an early start by visiting Vietnam at the beginning of the year, at which time he discussed trade.

Sitthi Must Accept Foreign Policy Advisors' Role

42070010b Bangkok SIAM RAT in Thai 19 Aug 88 p 8

[Editorial: "Don't Be Afraid"]

[Excerpts] Several newspapers have reported that Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, is very upset about the fact that the prime minister has formed a team of policy advisors composed of people who have in the past criticized him on foreign policy issues. One of these is MR [royal title] Sukhumphan Boriphat, an instructor with the Faculty of Political Science at Chulalongkorn University. He once said that Air Chief Marshal Sitthi's foreign policy is tilted too much toward the super powers and that Thailand is not independent. For example, on the Copyright Act issue, Air Chief Marshal Sitthi tried to please the United

States. He supported promulgating this law. As for prohibiting the Dalai Lama from entering the country, he was openly trying to please China. [passage omitted]

We feel that Air Chief Marshal Sitthi must accept things and not be apprehensive about implementing foreign policy if he is sure that what he is doing is the right thing and will benefit the country as a whole and that this will help foster harmony with friendly countries throughout the world.

In a democracy, discussion and argument is essential. It is essential to question administrators at all levels of the state apparatus in order to achieve the best results. Thus, the formation of this highly critical advisory team should be more beneficial than harmful to the country.

Air Chief Marshal Sitthi is probably used to advisory teams that always support the government's policies. But in a democratic system, that is not right. In a democracy, a variety of views must be expressed, even among administrators. Thus, the prime minister did the right thing by forming a team of policy advisors. Air Chief Marshal Sitthi should not fear this.

Commerce Minister on Protection for Farmers, Software

42070012c Bangkok MATICHON in Thai
12 Sep 88 p 3

[Interview with Mr Subin Pinkhayan, the minister of commerce; date and place not specified]

[Excerpts] [Passage omitted] [Answer] The farmers will be affected by the administration of the Ministry of Commerce. The Ministry of Commerce plays a major role in determining whether they will be able to sell their produce at a high price. Take the price of paddy, for example. If we allow the market apparatus to proceed on its own, the merchants and mills will purchase rice from the farmers and then sell it to middlemen. The middlemen will then sell it to exporters. If we allow this system to operate on its own, what will happen is that the farmers will be exploited. It must be admitted that farmers have been exploited for a long time. Thus, the Ministry of Commerce must monitor things to ensure that the farmers are not exploited, that they can sell their produce at a fair price, and that they can survive.

The important thing is to ensure that they can survive. This is my goal. And I am not concerned just about the rice farmers. I also want to help those who grow upland field crops. Those who grow cassava, corn, and soybeans will all be affected by the management of the Ministry of Commerce. We must find a way to help them. [passage omitted]

[Question] Does preventing the farmers from being exploited mean that you will implement a price guarantee policy?

[Answer] No. We will use market methods, the monetary and fiscal apparatus, and other means. We began using such methods during the time of the previous administration. Minister Montri Phongphanit achieved good results. We have about 10 measures, and these have achieved good results. Thus, I will adhere to the original policy.

[Question] That concerns the rice policy. What about the cassava policy?

[Answer] As for cassava, I have ordered the Foreign Trade Department to help monitor the entire system and see if anything needs to be changed. We have achieved results with respect to rice. But as for cassava, we aren't sure. Sometimes there are reports. I have asked them to study this and make proposals before we formulate the policy.

[Question] The Cassava Merchants Association met with you in order to ask you what your policy will be. They also asked that you formulate a policy as soon as possible and that you adhere to this policy throughout the year. They said that the policy should not be changed.

[Answer] They had their reasons for wanting to meet with me. If they tell me that the government should do this and that, I will consider their ideas. We have to work together. But I don't expect them to say that the government must do this and that. As far as announcing the policy, as I said a moment ago, if everything is done openly, the merchants will be able to control the markets. They will know everything, because they keep an eye on everything. Foreign buyers will know everything. They will be able to play our markets. We won't be able to do anything. That would be the result. Pressure would be put on the prices paid to the farmers. Frankly, we must be able to adjust the policy. If the farmers are suffering and we can't do anything to help them, we will all be in trouble. Thus, I must be frank and say that we can't do what the merchants have asked.

[Question] With respect to foreign trade policy, you have proposed separating the Computer Software Act from the Copyright Act. What will that achieve?

[Answer] Actually, few people know what computer software is. When you talk about computer software, they become apprehensive, because this is tied to copyrights. We know what the scope of copyrights is. If these are not separated, there will be problems. Separating these issues will enable us to separate what we know from what we don't know. We can then study the latter and decide what needs to be done. It will then be easy to promulgate a law. I think that this is the way to solve the problems concerning computer software.

[Question] If computer software is kept separate, that will make it easier to get parliament to pass the Copyright Act.

[Answer] It will make it easier to determine what should and should not be included in the Copyright Act.

[Question] You have told government officials that the policy is to support investment abroad in order to make use of the export quotas. Can this policy be implemented quickly?

[Answer] I think so. But we can't do this alone. We will give suggestions to merchants on what can be done. Other countries are making use of the rights granted by Thailand. Many countries have been granted export rights. But people in the country aren't ready to produce goods themselves. We have the technology and experience and so we can cooperate with them. I would like to see Thai earning money outside. [passage omitted]

MP's Educational, Ideological Backgrounds Profiled

42070009b Bangkok MATICHON in Thai
16 Sep 88 p 9

[Article by Charat Phuachuai: "If They Love the Country, MPs Must Make Sacrifices"]

[Excerpts] Following the general election on 24 July 1988, Thailand has a total of 357 MPs. Of these, 347 are men and 10 are women. [passage omitted]

The MPs can be divided by educational background as follows:

Level of Education	Number Elected
1. Grade 1-Grade 10	59
2. Grade 11-Grade 12	40
3. Certificate in education: primary, secondary levels	9
4. Vocational education	14
5. Associate's degree	17
6. Bachelor's degree	157
7. Higher than bachelor's degree	45
8. Other	16
9. Did not state	0
Total	357

The MPs can be classified into four interest groups:

The interest group that monopolizes a variety of businesses includes the Thai Nation, Social Action, and Ruam Thai parties.

The group that monopolizes certain large businesses includes the Prachakon Thai, Ratsadon, and Prachachon parties.

The group that monopolizes medium-sized business activities includes the Democrat, Phalang Tham, United Democracy, and Muan Chon parties.

The group that has its own businesses includes the Community Action, Progressive, Liberal, Democratic Social Force, and Puangchon Chao Thai parties.

The MPs can be classified ideologically as follows:

The conservative group, which includes the Thai Nation, Social Action, Ruam Thai, Prachakon Thai, Ratsadon, United Democracy, Liberal, and Puangchon Chao Thai parties.

The liberal group, which includes the Democrat, Prachachon, and Muan Chon parties.

The progressive group, which includes the Community Action, Progressive, Democratic Social Force, and Phalang Tham parties.

Looking at the composition of parliament as an indication of the ideological position of Thai society, it can be seen that more than 251 of the MPs are conservatives. This is followed by 72 MPs who hold liberal views and 34 with progressive views.

Thus, the fighting in parliament can be divided into three levels: the legal debates, the proposal of various motions, and the posing of various questions. As for helping the people, the ideas and methods of struggle can be divided into three levels.

However, there are MPs with progressive, liberal, and conservative views in each party. The only difference is that the number varies depending on the particular party. The resolutions or views presented must follow one of the three lines mentioned above. [passage omitted]

Acts proposed by the progressive faction are difficult to pass. Examples are the Act on Broadcasting Meetings of the House of Representatives, the Publishing Act, the Subdistrict Council Act, and the Inheritance Tax Act.

Thus, if people ask in which direction Thai society is moving, the answer is in the direction stipulated by the conservative faction. Various changes that people favor will have to wait. How long will it be before parliament makes the desired changes and solves the problems? The answer is, no one knows. It could be 20, 30, or 40 years. It will probably be that long. [passage omitted]

Class 5, Class 3 Generals Profiled
42070009e Bangkok DAILY NEWS in Thai
12 Sep 88 p 5

["DAILY NEWS Square" column by Nanthana]

[Excerpts] [Passage omitted] **Maj Gen Khachon Ramanwong, CRMA Class 5, the Deputy Commander of the Special Warfare Command**

Maj Gen Khachon Ramanwong, the second deputy commander of the Special Warfare Command (the first deputy commander is Maj Gen Thanaphon Bunyopatsatham), was born on 5 June 1932 just before the country changed its administrative system from an absolute monarchy to a democracy. In 1958 he graduated from Chulchomklao Royal Military Academy as a member of Class 5, the same class as Gen Suchinda Khraprayun, Lt Gen Wirot Saengsanit, Lt Gen Isaraphong Nunphakdi, and Lt Gen Wimon Wongwanit. He served in the army as an infantry and paratroop officer.

He is married to Sunantha, a former Miss Chulalongkorn University, who has a degree in chemistry. They were married in 1969. His wife graduated from Chulalongkorn with honors. Following that, she went to work and was awarded a UN scholarship to study for a master's degree in organic chemistry at the University of Birmingham in England. After returning from England, she went to work at the Thailand Institute of Scientific and Technological Research. Today, she is the director of the Project Planning Coordination Division. They have one daughter named Chomphunut (Nam Phung), age 13. This is a very happy family.

Maj Gen Khachon was promoted to general and appointed the first commander of the 2d Special Combat Support Division in 1983. Today, he is the deputy commander of the Special Warfare Command. In addition to this position, in 1982 he was made an aide-de-camp to the king. In 1983 he was appointed a senator. He has served as a special officer to the Cadet Regiment since 1986. He is very proud of all these positions. [passage omitted]

As for education, besides completing various courses offered by the army, he also took the U.S. Army Command and General Staff College course (by mail). He was the first and only Thai army officer to do this, graduating in 1976.

Maj Gen Chamnian Unchit, CRMA Class 3, the Chief of the Army Civil Affairs Department

Maj Gen Chamnian Unchit, the chief of the Civil Affairs Department, graduated from CRMA as a member of Class 3, the same class as Lt Gen Thamniap Thapmani, Lt Gen Arun Priwattitham, Lt Gen Ophat Phothiphaet, and Lt Gen Ratsami Wongphrommek.

Maj Gen Chamnian has a very interesting background. He is very frank and direct. His background is as follows:

His parents are Mr Thuan and Mrs Sai Unchit. He is the oldest of four children. His brother is named Chamong. He also has two sisters. He was born on 31 December 1932. He was a difficult child and so his mother sent him to live with his uncle, who was the deputy abbot of Wat Bang Peng. After completing Grade 4 at this temple, his uncle sent him to live at Wat Khao Bangsai in Chonburi

so that he could attend secondary school. After completing Grade 9, he went to live at Wat Pho in order to attend the provincial secondary school, where he completed Grade 10. He then entered CRMA. While attending CRMA, he liked to crawl under the school fence and go visit Wat Makut.

After graduating from CRMA in 1956, he served in the engineers in Ratburi for a few months. He was then sent to the United States for 6 months, where he took a course in demolition. After returning, he was made a company commander in Nakhon Sawan Province, where he served for 7 years. He married and had three children. Later on, he was transferred and sent to attend the Army Command and General Staff College.

While attending the Army Command and General Staff College, he was awarded a scholarship to attend the U.S. Army Command and General Staff College for 1 year. After returning from the United States, he served as an instructor at the Army Command and General Staff College. He also served in Korea for 1 year, where he was assigned to UN Headquarters. He served in Laos for 1 year and then attended school in the United States for another 6 months. He was then appointed head of the Training Division, Army Field Forces Department. After that, he was appointed deputy chief of the Civil Affairs Department. He is now the chief of the Civil Affairs Department. [passage omitted]

Suchinda Comments on Reshuffle, Personal Life, Chawalit

42070010c Bangkok LAK THAI in Thai
29 Sep 88 pp 14-16

[Excerpts] The 1989 military reshuffle was officially announced by army Television Channel 5 on the evening of 15 September 1988. The number of appointments, 392, was higher than ever before. This announcement immediately created great tension when it became apparent that most senior officers from Class 5, or CRMA [Chulachomklao Royal Military Academy] Class 5, had been transferred to less important positions or left in their previous positions. CRMA Class 1 officers, the same class as Gen Chawalit Yongchaiyut, the RTA CINC, were appointed to more influential positions. Also, close subordinates were well repaid for past services. The next morning, several daily newspapers mentioned this in their headlines.

In order to get the correct story, on the evening of 16 September 1988, LAK THAI met with Gen Suchinda Khrapayun, the assistant RTA CINC and head of CRMA Class 5, at his official residence in front of Suan Run in Bangkok. We discussed the problems that have arisen in the minds of people in general. Our conversation can be summarized as follows: [passage omitted]

Why Is There a CRMA Class 5?

I will tell you why CRMA Class 5 came into being. As you may remember, after the events of 14 October [1973], the military's image was very bad. I tried to think of a way to restore the reputation and honor of the army. I didn't see anyone else trying to do this. I talked with friends, and they supported my idea. Thus, we quietly formed a group. At that time, I did not have any influence. I was involved in intelligence work. But we succeeded in gathering forces and spreading our ideas. Later on, we learned that CRMA Class 7 had formed a group with views similar to ours. But we were not involved with each other.

Later on, there were rumors of an impending coup. That was during the time of the Seni administration. I was told that Soem (Gen Soem Na Nakhon) had been contacted but that he did not want to have anything to do with that. Thus, the coup makers turned to Sangat (Admiral Sangat Chaloyu). The navy did not have many forces or much prestige and so I didn't think that Sangat would last very long. And that turned out to be the case.

Actually, we have been doing a thankless task. People are not aware of the things that we have done. We are the ones who sent forces to put down the 1 April and 9 September rebellions. I remember that during the events of 1 April when we went to Korat, one senior officer asked who would volunteer to take forces to suppress the rebels in Bangkok. No one said anything. No one else volunteered. But a friend of mine immediately raised his hand to volunteer.

Are You Thinking About Staging a Coup?

When asked whether soldiers still think about staging a coup, Gen Suchinda replied:

Frankly, based on today's military command system, staging a coup is impossible. Anyone who tried would definitely fail, because the system does not facilitate this. Actually, the only person who is thinking about staging a revolution is the RTA CINC.

The Position of RTA CINC

Actually, I don't think about the position of RTA CINC at all. I know that I won't have the opportunity to hold that position. I have known this from the very beginning. I am satisfied with my present position. Chiu [Gen Chawalit] will have served as RTA CINC for 3 years. After him comes George, Wanchai, and Charuai. All of these men are members of CRMA Class 1. It's true that I have 5 years left before I retire. But that is not enough time. Several members from the same class can hold this position. And some people can serve in this position for several years. As a result, junior classes are bypassed. This is quite common. We all know that several classes may be bypassed. Not every class can serve as RTA CINC.

Three-Year Commanders

There have been rumors that the positions of the commanders-in-chief will be designated as 3-year positions. Gen Suchinda said that this proposal was made in order to deal with a specific matter. That is, it would be used to remove Te from his position in the air force. But in actual practice, things would be flexible depending on the situation. Most soldiers would like their commander to remain in his position for a longer period. A commander spends his first year learning the job. The second year is used to formulate plans. The third year is spent carrying out the work and making preparations to turn over command to someone else. But how much can be done depends on what is most suitable.

What Do Soldiers Think About the Government?

In response to this question, Gen Suchinda replied that the military is not close to this elected government. There are rumors that these people like to spend huge sums of money to get what they want. If they spent a lot of money campaigning, they will probably look for ways to recover their money. But at the moment, everyone is being very careful. We will have to wait and see.

Personal Life

Gen Suchinda said: Normally, I don't like to become involved with others. I like to be by myself and go places by myself. I occasionally put on a pair of shorts and go out for a bite to eat near Khlong Prapa. I have never gone to the homes of my superiors. But I always attend parties of friends. Today, for example, I will attend a party at the Navy League Club.

I don't know anything about business. But some people have charged that I am involved with a construction company, that is, the Benchamat Company. That is not true. If they want to learn the truth, they can look at the share registration at the Ministry of Commerce. I happen to know the owner of the company. That's all. In my present position, I am involved in procuring items. Some people have spread rumors about me concerning this. But I don't care. I am clean.

On Chiu

I frequently tell Chiu that he doesn't need to worry about me and that I am ready to go anywhere. Chiu once asked me who the next RTA CINC should be. I said that that was up to him and that if he saw someone suited to the position, he should choose that person. Chiu has helped me get to my present position. That's enough. When I was promoted to this position, some of his friends criticized his decision, asking why he had supported me.

On Woranat

As for the matter of Woranat and Te, something does not seem quite right. That is, if a person is the RTAF CINC, holds supreme power in the air force, and can do whatever he wants, why doesn't he take steps to win the support of his subordinates? Why does he have enemies everywhere?

Investors Must Share Wealth With Workers

42070009c Bangkok SIAM RAT in Thai 30 Aug 88 p 8

[Editorial: "A Problem That Must Be Reviewed"]

[Excerpts] [Passage omitted] As everyone knows, Thailand's economy has been improving for several years now. We have been exporting a variety of goods such as clothing that have earned huge sums of money for the country. Many economists say that Thailand should develop into a newly industrialized country [NIC], because Thailand is suited to becoming a NIC. In particular, labor in Thailand is cheap. Thus, for investors, Thailand is heaven.

It's true that Thailand is heaven for investors. But on the other hand, Thailand will become a hell for laborers if investors don't share their huge profits with the laborers to help improve their lives and be fair but instead spend their money on expanding their activities. [passage omitted]

It's time that the government reviewed all the labor policies to see what effect these are having on the development of the economy. This review should be very thorough. The government shouldn't content itself with stipulating lines for solving the immediate problems. It should also formulate long-term plans.

State Enterprise Profits, Losses Reported

42070009d Bangkok DAILY NEWS in Thai
15 Sep 88 p 20

[Text] Mr Mora Bunyaphon, the deputy under secretary of finance, discussed the results achieved by the 61 state enterprises. In fiscal 1987, the Ministry of Finance collected a total of 9,973.78 million baht from the state enterprises. There were 45 state enterprises that made a profit. Fifteen showed a loss. The other state enterprise did not send a balance sheet to the ministry. The 10 state enterprises that posted the highest profits were the Electricity Generating Authority, which made a profit of 6,826.21 million baht, which was the highest of all the enterprises; the Telephone Organization, 2,504.30 million baht; Thai Airways International, 2,192.52 million baht; the Thailand Tobacco Monopoly, 2,136.10 million baht; the Communications Authority of Thailand, 2,045.91 million baht; the Petroleum Authority of Thailand, 1,589.39 million baht; the Airports Authority of Thailand, 996.40 million baht; the Government Savings

Bank, 689.08 million baht; the Krung Thai Bank, 622.05 million baht; and the Metropolitan Water Works Authority, 564.02 million baht.

The 10 state enterprises that posted the biggest losses were the State Railway of Thailand, with a loss of 985.71 million baht; the Bangkok Mass Transit Authority, 925.36 million baht; the Marketing Organization for Farmers, 203.66 million baht; the Industrial Estates Authority of Thailand, 83.18 million baht; the Government Cold Storage Organization, 67.32 million baht; the Thai Maritime Navigation Company, 42.26 million baht; the Chonburi Sugar Corporation, 32.43 million baht; the Thailand Institute of Scientific and Technological Research, 18.35 million baht; the Express Transportation Organization of Thailand, 15.75 million baht; and the Preserved Food Organization, 7.57 million baht.

Student Leader Blasts Land Reform Bill Seen Aiding Foreigners

42070012a Bangkok THAI RAT in Thai
14 Sep 88 pp 1, 16

[Excerpts] [Passage omitted] On the afternoon of 13 September at Thammasat University, Mr Prasoet Kitsuwannarat, the secretary general of the National Student Federation of Thailand, said that the government's new land reform bill conflicts with the principles of real land reform. Instead of carrying on land reform in order to benefit the landless farmers and improve farming as an occupation, this draft act will grant ownership rights to those who say they intend to work as farmers. Only Thai and foreign financiers will benefit from this law. [passage omitted]

Mr Prasoet said that this act will make it possible to carry on land reform in certain instances. Forest areas will also be included in this act. That will enable [officials] to grant forest concessions to financiers from large companies, who will reap huge profits from national forest preserves and coastal woods, which are national resources.

Mr Prasoet added that in granting more power to the Agricultural Land Reform Office and in allocating land or real property to those who carry on activities that

support reform, the officials should consider whether this creates a loophole that will allow Thai and foreign financiers to carry on business activities, such as planting eucalyptus trees, rearing shrimp, and carrying on other agricultural activities in order to profit from this act. But the situation of the landless farmers will not improve. If the government parties use the political apparatus to ensure that this draft bill passes the first reading without listening to the opposition MPs and scholars, they will be misusing the parliamentary apparatus, and this will tarnish the administration's image in the eyes of the people. The people will lose confidence in the democratic system. [passage omitted]

Communist Suspects Mistreated, Laws Should Be Reviewed

42070012b Bangkok NAEO NA in Thai 6 Sep 88 p 5

[Editorial: "Political Prisoners"]

[Excerpt] [Passage omitted] Communist suspects are treated unfairly beginning on the day of their arrest. In an ordinary criminal case, investigation officials cannot detain a suspect for more than 91 days. But communist suspects can be detained for investigation for up to 480 days (this number means that investigators have been given the right to jail people for long periods).

Looking at the rights and freedoms of individuals, communist suspects are treated very unfairly. The right to believe in any political ideology is the right of every individual in a free democratic society. In England and the United States, people have the right to establish a communist party. Those who are pro-communist have the right to campaign and run for political office.

The use of legal powers to oppress the people is a trait of backward and underdeveloped countries that adhere to a dictatorial power structure. These underdeveloped countries deny the people their rights and freedoms, citing national security as an excuse. In many cases, this gives those in power a chance to increase their own security.

A democratic government should treat communist suspects and political prisoners fairly. The Anti-Communist Act should be reviewed so that it is in accord with the democratic system. [passage omitted]

ECONOMIC

Pay Based on Rice Standard

42000022a Bangkok BANGKOK POST in English
4 Oct 88 p 3

[Article by Jacques Bekaert]

[Text] Ho Chi Minh City—Local authorities, trying to fight raging inflation, have decided to base salaries of most municipal employees on the price of rice—an essential and fairly stable commodity.

Import of gold, forbidden until two weeks ago, is not only to be allowed but encouraged, while the dong, at 4,300 per U.S. dollar, has reached a new low.

Although most officials agreed that economic reforms approved in 1986 by the Sixth Congress of the Communist Party of Vietnam were "in essence correct," they admitted there have been very few concrete results so far.

Vu Hac Bong, director of the External Relations Service of Ho Chi Minh City, said that "so far there is indeed little improvement."

"The line is correct, the implementation is much too slow, and as a result we are not going anywhere."

"There is no need to look very far to find the culprits," he said. "We are the culprits, we the cadres."

Other sources accused the vast and powerful bureaucracy of preventing faster development, and of being "constantly in the way of the entrepreneurs, those who want not only to get rich but produce something".

Inflation is a major problem.

The dong has declined more than 300 per cent since the beginning of the year, and all major commercial transactions are conducted in gold.

"We want to guarantee a minimum of rice to our employees," said Vu Hac Bong.

Teachers are now entitled to the equivalent of 40 to 60 kilos of rice a month. The price of rice went slightly down in the past two months.

Depending on quality, a kilo of rice sells for 450 to 550 dong. The official rate of the dong at the Central Bank is still fixed at 368 dong per dollar.

The black market rate went from 900 in January to 2,000 in early April.

The dollar was worth 3,000 dong in July and started moving again a few weeks ago.

Rumors that the Central Bank will soon issue a new 10,000-dong bill has also pushed the local currency down.

The price of gold on the international market also strongly affects the street value of the dong.

Little is done for the moment to fight inflation because the state keeps printing reams of paper money to pay its own huge corps of cadres and bureaucrats.

Approval for gold imports is a major reverse of policy.

"Let's be realistic. We need gold, and its trade must be normalized," said Vu Hac Bong.

Overseas Vietnamese, many of them former refugees who left their homeland as the communists were taking over the country, are now openly courted by Hanoi and welcomed home with three-month social visas.

Foreign businessmen are also visiting Vietnam in increasing numbers, mostly from Taiwan, Singapore, Indonesia and Thailand.

"But we do not get the big investors," complained one of the director of Imexco, the large state corporation in charge of imports and exports.

"Investors from Japan, the United States and Western Europe will wait until the Kampuchean problem is solved," said the vice president of Imexco.

Other sources agreed that the unsettled Kampuchean question is a major obstacle on the road to further economic development for Vietnam.

"Because of the Cambodian affair, we are denied credits from institutions like the World Bank or the Asian Bank for Development," said one source.

Battle for Foreign Money

42000022b Bangkok BANGKOK POST in English
6 Oct 88 p 19

[Text] The recently promulgated investment laws of Vietnam and Laos are quite different and have received interestingly different responses in their initial tests. Basically, Vietnam's law is potentially disastrous for investors, with its many loopholes in favor of the government. The Lao one is shorter and far more in the investor's favor; it is also modest in intent: It mentions no "foreign country" but obviously seeks Thai and Thai-based businessmen as a modest goal. Vietnam's one foresees investment from all over the world.

Here is the first of a three-part series by Alan Dawson on the two countries' investment laws: a comparison and an overview. Part II, tomorrow, will focus on the Lao law and Part III, on Saturday, on the Vietnamese law.

At first, it looked like a rerun of the tortoise and the hare. Here was this big, famous country doing battle with the outnumbered and seemingly indolent neighbor.

Not the battle for Kampuchea, but the battle between Vietnam and Laos for foreign money. The battlefields are their new investment laws.

The battle to attract foreign investors is not one-sided, but in only a few months, the Vientiane regime has managed to interest quite a few businessmen in their scheme. Not the least of the money has come from Thailand.

Vietnam, on the other hand, has signed a few contracts but has thus far failed to attract the big Western businessmen it hoped for late last year when it published its foreign investment code. The big money that is destined for Vietnam has thus far concentrated only on oil—and foreign oil firms have steered a wide course around the showpiece investment legislation.

Most would-be investors in Indochina have commented on the similarities between the Vietnamese law—passed late last December—and that of Laos, which was promulgated only in late July.

Both laws, considered “liberal” by communist standards, feature guarantees against government seizure and nationalization. Each also employs unusual provisions of Western business wisdom.

Their similarities, businessmen note, dwell on capitalist principles. The communist regimes wouldn't put it quite that way but Vietnamese and Laotian officials both note that “a certain amount” of free enterprise is acceptable.

The fast movers, however, have noted the striking differences.

There are many, and some of them are highly significant. There are reasons for these differences. But for the moment—until Vietnam proves that it is really getting out of Kampuchea—they mean that Laos is winning the early battle to win middle-sized investment.

Thai-owned and Thai-based foreign firms are booking out Vientiane's few dozen hotel rooms to discuss the fine points of investment. The Laotian Embassy in Bangkok is very busy indeed with requests for more and specific information.

Corruption has reared its head in the new “free enterprise” markets. One local businessman said he had to add more than 60% to the cost of his recent contract in order to pay off the Laotian officials. The “add-on cost” assured that his bid was accepted.

Vietnam's major problem is political. Most non-communist governments restrict or discourage investment in Vietnam by their citizens as part of the decade-old programme designed to force Vietnamese troops from Kampuchea.

Hanoi knew from the start that this would be a major problem for its new “liberal” policy to attract foreign money. Its two-pronged economic offensive in the West has stressed the dual points that the Vietnamese army will be out of Kampuchea by 1990 and that the investment code is in places when Westerners are ready to do business.

Visas to potential investors have been almost free for the asking in recent months. This reverses a long-standing trend in Vietnam of careful screening of even the most innocent tourists before issuance of a visa.

Vietnamese sources admit that their security forces are far from happy, but they have subverted their natural fears of admitting the odd spy to the pragmatism of attracting money.

In its campaign to woo Western businessmen to Vietnam, Hanoi is stressing its country's obvious advantages. These include a huge reservoir of cheap and hard-working people, some of whom are literally starved for lack of money.

In theory, Vietnam and Laos shouldn't be competing at all. Hanoi wants a share of top-end investors who are rich and looking to get involved in high-tech, labor-intensive industries.

Vientiane is modestly aiming for the lower classes of international investment, chiefly to exploit its natural resources. Unemployment and urban sprawl are not among the problems faced by Laos which has one of the most spread-out populations in the world.

But Vietnam is far from an investor's dream. On top of its dilemma over Kampuchea, the nation of 65 million has a major problem because of its self-induced ties to the Soviet Union.

A tiny list of other problems that potential investors see in Vietnam include unreliable energy supplies, poor transportation, virtually non-existent communications by 1988 standards, inability to provide figures for feasibility studies and a lack of hard currency.

These problems negate many high-tech investment schemes from the start.

Investors who have persevered have almost unanimously concluded that if a project is feasible in Vietnam, it must be at the bottom and of the technological scale.

A French firm will likely establish a bicycle factory in Vietnam. It will likely become a showcase to show to potential investors of the future. But don't bother looking around for the computer-controlled assembly line.

"When we talk investment in Vietnam, we are talking about the 19th Century," said an American eager to sink money into a joint project. "What they have is a huge, unemployed work force. Nothing else."

Which then brings to mind Laos which isn't looking for computer banks and satellites to develop its economy and population.

Laos' running start at wooing Western investment comes from its political image. It may be part of Hanoi's "Indochina confederation," but in many ways, it has stayed aloof from its big neighbor.

Virtually every nation in the world has diplomatic relations with Laos, including the United States. There are few national laws that restrict investment in Laos.

Vientiane's investment code is specifically aimed at development of natural resources. These include timber and forestry, agriculture, tourism and handicrafts.

No big factories churning out video recorders on 24-hour production shifts are foreseen by Laos' pitch to the capitalists.

Interestingly, Vietnam's initial successes with its investment code have been exactly in the areas pushed by Laos.

A Hong Kong company has signed on to promote tourism in Vietnam. At least four Thai companies have signed fishing agreements. Thailand's Huay Chuan Group is going to barter Thai rice, sugar and rubber for Vietnamese mineral ores. The Metro Group also intends to perform barter trade.

Rightly, Hanoi should be chortling over contracts that are signed or imminent with six oil firms from six different countries. But in fact, the contracts are no laughing matter.

The international oil companies have refused flatly to do business under the Foreign Investment Law. Each has conducted bilateral negotiations and concluded individual contracts with Hanoi. Industry sources described the untested law as "far too vague" for their accountants and lawyers.

Laos has steered clear of the Western multinationals in any case, although the Thai giant CP group will be involved in the nation's future. But even a quick comparison scan of the two investment laws is instructive.

The Laotian document presents specifics in many areas that are left mystifying in Hanoi's law.

Thus Laos, seemingly doomed to be forever one of the world's poorest countries, is winning the first round of its competition with big-brother Vietnam in the game of international capitalism.

Problems With Investment Law

42000022c Bangkok BANGKOK POST in English
8 Oct 88 p 16

[Text] Vietnam's major problems for investors have long been known: unreliable communications, bad transportation, unstable electrical supplies and large dollops of corruption and theft. Alan Dawson reports on the new foreign investment law of Vietnam.

The news has been good and bad for Vietnam in its first eight months of trying to win foreign capital investment.

The good news is that there are a lot of people interested and a few have already signed on. They are prepared to bank on the future of Southeast Asia's second most populous—and poorest—country.

The bad news is that enormous problems have cropped up around the new foreign investment law, meant as the centerpiece of the new economic policy known as doi moi. In brief, most foreign investors don't like it.

"There are too many loopholes" in the Foreign Investment Law (FIL), according to one Western businessman who recently returned from a scouting trip to Vietnam.

Since then, according to Hanoi, 20 foreign firms have expressed interest and 12 have signed agreements in fields that include banking, tourism, electronics and aquatic products.

Most of these "investments" are singularly unexciting. The Huay Chuan group of Thailand has invested U.S. \$200,000 in a barter-trade company. Four Thai companies have, in essence, purchased fishing rights inside Vietnam's 200-mile limit. A British company has signed another no-cash "investment" to salvage shipwrecks.

Ordinarily, Vietnam could be proud of signing three new contracts with international oil companies from India, Belgium (Petrofina) and Holland (Royal/Dutch Shell). And it could rightly brag that it expects to sign three more with British Petroleum (BP), Agip of Italy and Total of France.

But these contracts are no advertisement for FIL. All six oil firms looked at the investment law and gave it a wide berth. Each has negotiated its own deal with the Hanoi Government, refusing to take the investment code even as a model.

The law passed last December by the rubber-stamp National Assembly after lengthy debate at various levels of the government and Communist Party. It goes further than anything the communists have ever offered foreigners in Vietnam. But this may not be enough.

Hanoi is using FIL as a proud highlight in an increasingly desperate attempt to attract money. Economists estimate conservatively that Vietnam needs to attract U.S. \$1 billion a year from the West for an indefinite period. The options are bankruptcy and permanent poverty.

Since 1978, both aid and investment from the West have been minuscule, as Vietnam cemented its alliance with the Soviet Union and invaded Kampuchea. Many Vietnamese officials believe earnestly that there is light at the ends of both these tunnels.

But this is crunch time for Hanoi. The regime is caught with no credit, no cash and no collateral.

"The country is a sinkhole at the moment," said a Western diplomat. An estimated \$300 million that reaches Ho Chi Minh City each year from emigrants in the United States simply disappears as the government tries to catch up with debts.

Vietnam is the world's third poorest country in income, with each Vietnamese earning a measly \$180 annually according to the United Nations.

The Soviets have pushed their non-military aid to Vietnam well past the equivalent of \$2 billion a year. Most of the aid, however, is in long-term development programmes, and of course, roubles are not much good on the international market in any case.

Borrowing money—always a problem for Hanoi—has become problematical in recent years and months.

Western banks and governments have shut out Vietnamese loan requests for largely political reasons. Lending bodies like the International Monetary Fund take a look at current debts and repayment history, then it gives that little "banker's cough" that signals another denial of a loan request.

Current debts total \$7.7 billion to 30 countries and lending bodies. Vietnam scrupulously reschedules its debts but is unable to repay them. Early this year, Hanoi made the IMF's exclusive blacklist of 11 countries denied loans from the World Bank and IMF.

The Vietnamese dong has fallen in value in three years from 15 to the U.S. dollar to 900—and four times that on the free market. Inflation in Vietnam has been 700

or more since 1985.

In Hanoi's version of a perfect world, the much-debated FIL would solve many of these problems. Capitalist businessmen would set up quickly in Vietnam and absorb huge numbers of unemployed as workers. They would produce consumer goods for local consumption and export to earn foreign currency.

That's the dream world.

The real world is different. Businessmen seeking contacts with Vietnam have shied away from what Hanoi describes as "a bold move to open Vietnam's economy to the world." Foreigners have quickly become nervous about FIL. After nearly nine months of gestation, FIL still seems a long way from producing the economic miracle baby.

The main complaint against FIL is its vagueness. "It's 14 pages long in the English translation, but there is no way you can take the law and budget an investment in Vietnam," a Western businessman complained.

Consultants familiar with Vietnamese politics said FIL was obviously a compromise between reformers and hidebound Stalinists in the Vietnamese administration.

The problem of bureaucrats who work to subvert party and government policy is endemic. Some Vietnamese have described it as epidemic. The communists, who put their wartime followers in all senior civil-service jobs years ago, now find that the former followers are more interested in protecting their own positions than in helping the country.

In August 1979, the Prime Minister decreed the end of all road and waterway checkpoints to facilitate movement of goods. Many localities resisted, citing the "need to control dishonest merchants."

On March 11, 1987, the Prime Minister decreed the end of all road and waterway checkpoints. But the checkpoints are still up, encouraging theft and corruption and holding up shipments of food and other necessities.

Vietnam State Bank Director-General Lu Minh Chau has proved that you don't have to be an anonymous petty pen-pusher to be potentially obstructive.

Mr Chau less than three months ago called for more central control over goods essential to grain production. This came after a statement only weeks before by Communist Party boss Nguyen Van Linh, the No 1 "reformer," that such state control had failed and that free markets should control such goods.

In the case of FIL, "liberal" communist leaders managed to push through provisions that seemingly work on the side of potential investors. These include specific guarantees against nationalization and government takeover.

But the ever-present Stalinist hardliners got what they wanted, too. Their victories include non-specific taxation rates and the right to appoint a work force.

Worse from an investors' viewpoint is the mechanism for settling disputes. All arbitration, which is binding, is by a Vietnamese-appointed arbitration unit.

Even worse from the potential investors' standpoint is an ominous article which makes foreign businessmen and their investments a juridical person, subject to the laws of Vietnam and subject to control under those laws. This is doubly troubling, since Vietnam has few printed laws.

Vietnam's major problems for investors have long been known: unreliable communications, bad transportation, unstable electrical supplies and large dollops of corruption and theft.

Huay Chuan assistant managing director Chookiat Ophaswongse had a short list of three major problems: a shortage of airline seats to Vietnam, poor communications from the country and the lack of an Indochina trade policy by the Thai Government.

Fumio Goto of Osaka University Listed other problems in a recent paper on the new investment code. He cited an inability to pry basic economic information from secretive bureaucrats, difficulty in procuring even the most basic raw materials and an obligation to export as major reasons keeping heavy investment under FIL out of Vietnam.

He said foreigners during FIL's first nine months had been unable to find out "Who's in charge?" The makeup of the State Organ for the Management of Foreign Investment, which is supposed to administer FIL, has never been identified.

In addition, he said there was a severe lack of competent business partners in today's Vietnam, most especially in the northern region.

Mr Goto is personally in favor of investment in Vietnam as a way to help the country. His conclusion of the possibilities for doing private business with Hanoi is therefore reluctant.

"Vietnam has no environment for foreign capital to do business."

New Factory Assembles Electronic Products for South Korea

42090045b Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 13 Aug 88 p 1

[Article by T.Q.T.: "Assembling Advanced Electronic Goods on Contract for South Korea"]

[Text] The 3rd Precinct Export Goods-Supplying Corporation has signed a contract to assemble advanced electronic goods for South Korea through Generalimex. The

electronic plant that the corporation had set up was officially opened on 11 August after a period of trial production. The plant has five sections that assemble audio cassette tapes, video tapes, radio-cassette sets, and television sets and produce tape, using imported equipment. It has so far produced 15,000 cassette tapes, which have been delivered to Generalimex. From now until the end of the year it will complete the assembly of 600,000 audio cassette tapes, 100,000 video tapes, and 10,000 radio-cassette sets. When all of its sections are in full use, it will have jobs for 1,000 people.

Vietnamese From Overseas Set up Technical Services Company

42090045a Hanoi HANOI MOI in Vietnamese
3 Aug 88 pp 3, 4

[Article by P.V. (Reporter): "TESCO, a Private Enterprise, Begins To Provide Scientific and Technical Services"]

[Text] A number of overseas Vietnamese who had returned to the country has just established TESCO, a corporation providing scientific and technical services for application to production and having a permit issued to it on 10 February 1988. This private enterprise has gathered many overseas Vietnamese who had returned to the country, have now retired, and have capabilities and experiences in the field of scientific production and business, and at the same time broad relations with the Vietnamese abroad, whose multifaceted potentials could serve the party's three great economic programs. This organization also has the task of joining work and production installations, scientific and technical cadres, and skilled workers in various specialized sectors in quickly introducing technical applications and progress to production so as to serve everyday life and export.

The technical services program consists of the following: transferring to industries and applying technical progress; manufacturing new products on a trial basis; providing such services as acting as technical consultant, giving economic and technical information, compiling and translating documents, and so on, and drafting economic and technical arguments; planning and submitting to responsible organs for approval plans for projects having to do with electric power, gas furnaces, temperature-regulated freezing systems, applications of wind and solar energy to water pumps, generation of power for drying purposes, and so on; and doing work in many other fields. The board of directors includes these old cadres: Vu Dinh Bong, grade-7 specialist and former director of the Ministry of Power and Coal's Design and Planning Institute; Ngo Thi My Van, food chemical engineer and former specialist of the Ministry of Foreign Trade; Trinh Trong Thuc, former head of the Technical Department and former director of the Energy and Electrification Institute, and so on. Bong, an overseas Vietnamese in France having returned to the country

during the war of resistance against the French, retired a few years ago after having held many positions as director and institute director and has been awarded two Labor Orders.

We came to the headquarters of TESCO located at 25B1 Cat Linh Street. Vu Dinh Bong showed us two wooden propeller blades 1 and 1.5 meters long and told us that a 6-meter blade was being made at the electric motor repair shop in Yen Phu. The blades will be mounted on windmills to generate energy by means of wind power. TESCO will make windmills of all sizes to suit the need of users. The 1-meter blades will be used to generate power to charge batteries, the 1.5-meter blades to generate 100 watts of power, and the 6-meter blades from 2 to 4 kilowatts. This source of electricity from wind-powered windmills will allow installation of water pumps that can bring water to a height of 20 meters. When the generating of power is achieved, there will be many other uses. The principle is to produce electricity in a convenient and inexpensive manner and to let everybody use it.

He also showed us the plan for making fish sauce in half of the usual required time while still ensuring its quality. In the past he had presented the plan to a few fish sauce makers, who welcomed it but later would not do anything to improve the manufacturing process. It was possible that they were afraid of the money and time to be put into the plan and therefore maintained the old method, which would bring about very limited results.

He also showed us a kind of wickless kerosene cooker. After it was ignited, a blue flame appeared and produced no lampblack. When the cooker was turned off, it did not give forth any odor of burning as the current cooker models would. Earlier he had showed his cooker to a few manufacturers in Cho Lon, who proposed that they would give him a new Honda cub motorcycle if he gave them the blueprint for making the cooker. But he had turned the proposal down. He wanted to organize the making or joint making of the cooker right in TESCO.

There were many more projects and plans, but anyway they were only the first steps. What was favorable for TESCO was that the authorities have been creating favorable conditions for it to operate right after the investment law has been promulgated. At the present time, TESCO has very many things to do, particularly while it is making the first steps. Whether the company can be further developed clearly depends on the people who work here.

SOCIAL

Explaining the Criminal Procedure Code on Dignity and Honor

42090046 Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 17 Sep 88 p 2

[Article by Lawyer Nguyen Dang Trung: "Understanding the Criminal Procedure Code—Absolute Protection of Citizens' Dignity and Honor"]

[Text] [Editor's note] The municipality is organizing a phase of explanation and propaganda to run from now till the end of the year to promote a thorough under-

standing of the Criminal Procedure Code. SAIGON GIAI PHONG will print a series of articles dealing with the main parts of this important code.

The Criminal Procedure Code confirms the principle of assumed innocence, i.e., before the defendants are indicted with a legally valid decision, they must be treated as innocent people whose human dignity and honor should not be violated. In reality, in the past years many defendants were not treated as such. There were cases in which they were beaten. Some legal workers even tortured them to extract forced statements in order to set up false case records, which would lead to prosecution and wrong sentencing of innocent people. A typical case was that of Nguyen Sy Ly who was sentenced to 17 years of imprisonment, although he was innocent, by the Nghe Tinh Provincial People's Court; the decision of which was upheld by the Supreme People's Court of Appeals in Hanoi.

The truth was Nguyen Sy Ly did not kill Bui Van Vinh. It was Bui Van Lai who in the dark thought that he was being chased by Nguyen Si Ly and his father and that both wanted to beat him up, so he produced a knife and stabbed the silhouette that was lunging toward him without knowing that the silhouette was his own brother. But later when he learned that Nguyen Sy Ly had been arrested, Lai remained silent. First Ly stated that he did not stab Vinh, but then when he found out that his father and older brother both had been arrested and he himself was beaten and forced to make false statements (during the time he was temporarily jailed pending the investigation), he had to admit that he had stabbed Vinh to death.

The innocent people who are arrested, prosecuted, and wrongly tried not only undergo damaging effects on their health and physical well-being but also suffer from mental pains resulting from their human dignity and honor being violated. As Maragot in the film, "If You Swear To Defend Justice," asked Imre, the controller, who had wrongly accused him, "What will happen to my life when 7 years ago I entered this prison through the main gate and now I leave this place through the back door?" that was a question that would inflict an acute pain on the conscience of men of integrity.

We cannot fully compensate for the physical damages and mental losses inflicted on those innocent people who have been tried wrongly, of course. But from the standpoint of justice and humanity, society demands that the law-enforcing organs make the greatest efforts to minimize their sufferings. It is for this reason that the Criminal Procedure Code has this to say: "The organ that has committed the wrongdoing must restore the honor and interests of the people who have suffered from damages and compensate them for such losses" (Article 24).

On 7 August 1988, in Hoa Luu Village, the representatives of the law-enforcing organs of Hau Giang Province and Vi Thanh District officially offered apologies and compensation of losses to Nguyen Van Nhlen, who had been wrongly sentenced to 10 years of imprisonment for the murder of his brother-in-law, Le Van To (he was found innocent thanks to some villagers who, 2 years later, met To, who was alive, and took him home).

Although the Criminal Procedure Code was scheduled to take effect only on 1 January 1988, the action on the part of Hau Giang Province had been an experience in carrying out the contents of Article 24.

In the past years, a situation that occurred quite often was the fact that many people were arrested and put in jail usually by urgent-arrest orders and that the organs which investigated their crime and were unable to determine the charges after such investigation should have set them free but instead decided "to release them on a temporary basis." In many cases, although the people concerned had been released from jail for 5-7 years, the "temporary-release orders" remained and caused them lots of difficulties and hardships in connection with housing, work, and everyday life. In the case of some people, such orders were rescinded only several months after they had died. Phan Hoat was a well-known maker of Quinquina (an aperitif) in Saigon. Early in 1973 he stopped making the tonic wine because he had been harassed by the old administration. After the South had been totally liberated, he was not among the bourgeois industrialists and businessmen who were sent to reeducation camps, but he was arrested on 17 June 1977 and held until 20 October 1983, when he was "released on a temporary basis." He later wrote a letter of complaint in which he asked to be relieved from the wrong accusation and the temporary-release order. On 4 February 1988 he died of illness. Before his death, he told his family to continue clearing him of the wrong accusation. Not until 13 July 1988 did the Municipal People's Committee meet with the responsible organs to consider his complaint and decide to rescind the temporary-release order, 5 months after his death!

In order to overcome this situation the Criminal Procedure Code completely drops the temporary-release measure and replaces it with total release under all circumstances (articles 63, 69, 71). If the law-enforcing organs find it necessary, they can take other restrictive measures, such as "prohibiting departure from a place of residence" (Article 74), "assurance" (Article 75), and "money and properties as collaterals" (Article 76). These also are the measures that will help to avoid violations of the human dignity and honor of citizens.

In addition, in regard to investigating on the basis of experimenting and testing, the Criminal Procedure Code states, "Human dignity and honor should not be violated, nor harm done to the health of participants"

(Article 128, Section 2). For instance, a rape victim should not be asked to take part in a reenactment of what happened at the scene of crime, for it would violate her human dignity and honor.

The above-mentioned articles, as well as others, of the Criminal Procedure Code clearly underline a determination that is evident throughout the code, to protect the human dignity and honor of citizens.

Development of Fatherland Front's Role Discussed

42090040 Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 16 Sep 88 pp 1,2

[Report by Huy Mien on interview with acting chairman of municipal Fatherland Front committee]

[Text] [Reporter] According to Directive 17/CT-TU of the CPV Central Committee Secretariat (Fifth Term), the Fatherland Front is the largest socio-political organization, a link between the party and the masses, and the common representative of the masses' right of ownership. In reality, however, the front has so far been considered a symbolic and nominal organization whose existence or absence does not matter at all! The ordinary citizen's impression of the front is that it is an organization specializing in motivating people to make contributions and buy government bonds. In short, in the eyes of many people, the front has long been a "figurehead without real authority."

[Le Dinh Nhon] That was the actual situation in the past 13 years. However, I must add that ever since the issuance of Directive 17 of the party secretariat, the front has started to modify and develop its activities more vigorously than in the past. Some party committees at various levels have paid greater attention to the front, and people's committees at all echelons have coordinated with it more satisfactorily. The front organization at all echelons has also exerted greater effort but, in practice, has not yet accomplished a great deal.

[Reporter] What are the causes of such a situation?

[Le Dinh Nhon] It can be said that there are three underlying causes—party leadership, relationships with the administration, and the front organization itself.

An objective fact is that for many years party committees at various levels have neglected the front organization and treated it as a specialized and very subordinate department. Usually, guidance has been entirely entrusted to the comrade in charge of civilian proselytizing. Worse still, throughout their term of office, some party committees at various levels have not even convened a single meeting to hold a thorough debate and to assess and guide the mass movement. Directive 17 of the party secretariat states that the party is also a component of the front organization but perhaps there remain many

leading comrades and party members who are still unaware of this assertion, witness the fact that this component has almost never participated in any activity of the front.

In its relations with the front, the administration at various levels seemingly has considered the front to be a sort of department or section just like others and sometimes has even considered it "less weighty" than the others. Most of the time, the administration needs to coordinate with the front only when it wants to motivate the people's contributions or to call on the front to execute a ready-made decision. Scarcely ever has the front been invited—before a decision is already reached—to participate in debates and express its views on policies related to the obligations and interests of the masses. What image and impression of the front cadre has such an attitude created among the masses? Moreover, the administration in some areas has even considered the front as a "dependent" organization because the administration has had to defray this organization's expenses though these expenditures are tiny in comparison with those allotted to other sectors. Consequently, it is not yet possible to speak of the Fatherland Front's function of "supervising the state organs' activities in implementing various policies." These words together with the "the people know, debate, act, and control" motto are still lying dormant on sheets of paper.

As far as the front is concerned, I would like to stress a lingering shortcoming: Apart from positive efforts exerted by the front organization at all echelons, the front organs in certain areas are still discharging their duties and functions in a passive manner. They continue to implement a policy or decision which they know is incorrect. When discovering a mistake, they do not protest. Sitting there waiting for task assignments and then working perfunctorily, they consider themselves a form of organization used to perform etiquette rituals, thus incapable of fully realizing their own role, duty, and (still limited) power. Recently, the municipal Fatherland Front committee has pointed out many problems requiring reexamination concerning the leadership provided for the Fatherland Front by the party in our city as well as the relationships between the municipal administration and the front organization. But first and foremost, we must sternly reexamine our own responsibilities. The front standing committees at all levels, especially the municipal echelon, have not yet coordinated closely with the component mass organizations many of whom have failed to determine correctly their own position within the front. The front itself has not fully developed the role of its nonspecialized committee members many of whom have in turn failed to fully determine their own responsibilities. The front is still carrying out activities in a bureaucratic-administrative manner without establishing close contact with people of all strata, especially those segments of society directly proselyted by the front. Therefore, the front must display more liveliness and take more initiative.

Another shortcoming is the [municipal] front committee's lack of a sense of responsibility, and also its delay in proposing to the party to streamline the front's working apparatus and to formulate an equitable system and policy toward the front cadres though the front organization at all echelons still needs a sufficient number of qualified cadres to fulfill its assigned tasks.

With regard to training, study, observation tours, rest, salaries, and working means the lack of which has affected task execution, the system and policy applied to the front are replete with inequities and differ widely from the system applied to party and state cadres, especially those at the subward and village levels. In my opinion, though the front is the common representative of the masses' right of ownership, actually in the "party leadership, state management, and people's right of ownership" apparatus, leadership is exercised by the party and the ownership right is wielded by the administration while the role of the front and mass organizations is very blurry.

[Reporter] Have you ever said such things to the municipal party committee standing committee and the [people's] committee?

[Le Dinh Nhon] I have spoken frankly many times because in my opinion, only by speaking so frankly can we hope to solve problems.

[Reporter] What measures will the forthcoming fifth congress of the municipal Fatherland Front committee propose to improve the aforesaid state of affairs?

[Le Dinh Nhon] Our current preparations for the front congress are guided by the front central committee and the municipal party committee standing committee and are aimed at effecting real changes at the forthcoming fifth congress of the municipal Fatherland Front committee—changes that will take place in the thinking pattern, working style, and cadre policy. The front will address the most urgent needs of the masses. First, it will coordinate with the administration to carry out democratization at all costs. The front will regularly organize seminars on issues of interest to the masses because it believes these seminars are a forum to convey our views to the party and state. The front will hold dialogues with leaders of economic, political, and social sectors in order to give the masses an opportunity to contact them and ask questions. There will be close coordination with all forces and individuals representative of and interested in positive innovations, and also with the press and other mass media in order to constantly create public opinion's pressure on all party and state apparatuses to accomplish effective changes. The shift from "casual work" to earnest performance will indeed involve an intricate but necessary antibureaucratic struggle to be waged by the Fatherland Front, in particular, and the entire innovative front, in general, with the aim of carrying out democratization and thoroughly abolishing the bureaucratic centralist and state subsidy apparatus.

Democratization is the keynote in any change in the political and economic thinking pattern. Only by doing so can the Fatherland Front really develop its function

and mission and really become the common representative of the masses' right of ownership.

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