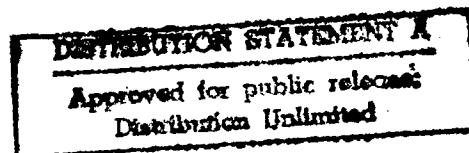


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14 August 1985

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AUSTRALIA

MANUFACTURING OUTPUT RISES DESPITE GLOOM

Sydney THE AUSTRALIAN in English 17 Jun 85 p 14

[Article by John Stanton]

[Text] Manufacturing production rose during the June quarter despite earlier industry pessimism, according to a survey by the Confederation of Australian Industry (CAI) and the Westpac Banking Corp.

The survey of more than 230 manufacturers found that 45 per cent of companies were working at satisfactorily full capacity: the highest proportion for 3-1/2 years.

A CAI spokesman, Mr Bill Henderson, said yesterday that exporting companies, representing 81 per cent of respondents, had reported their first rise in deliveries, since 1983.

The improved trend, linked to the greater price-competitiveness brought about by the fall of the Australian dollar, will be welcomed by the Federal Government after the release of figures last week showing a 4.5 per cent rise in the cost of imported raw materials during March.

Balance of payments figures issued last week indicated a 5 per cent rise in exports during April.

Mr Henderson said the exporters expected the delivery increase to continue in the September quarter.

Respondents reported improvements in terms of output, new orders and employment.

This was in marked contrast to the belief at the end of March that the general business situation would deteriorate during the next three months.

Twenty-eight per cent of the employees surveyed had increased their labour force during the three months to June, compared with 17 per cent in the March quarter.

Sixty per cent of the companies expected the business climate to remain unchanged in the second half of the year, but only 12 per cent anticipated an improvement.

The survey found that a lack of orders remained the dominant single restraint on increased production in the June quarter, although production capacity and labour were more significant impediments than in the previous three months.

The amount of overtime worked rose, contrary to earlier expectations.

Availability of labour was reported to be the tightest since 1974, but was expected to ease.

The respondents said finance was slightly more difficult to obtain than during the previous survey period.

Plans for increased capital expenditure on new plant and machinery in the next 12 months were revised marginally upward in the latest survey, but were offset by an anticipated fall in spending on new buildings.

Stocks of raw materials and finished goods fell in the June quarter, and this trend was expected to continue.

CS0: 4200/1286

AUSTRALIA

LEGISLATOR'S 'CONTRADICTION' TO ANTI-ANZUS ARTICLE

Melbourne THE AGE in English 21 Jun 85 p 13

[Article by Victoria Senator David Harmer, in response to 13 June 85 article on costs of ANZUS Treaty: "Misconceptions about Anzus"]

[Tex5] The article in last Thursday's 'Age' on Anzus by Kenneth Davidson cannot be permitted to pass without contradiction, for his assessment of the benefits is incomplete, and his judgment of the costs is based on two serious misconceptions.

Mr Davidson is right when he says that the Anzus Treaty does not guarantee American support (no responsible person has ever said that it did), although Article IV of the treaty is fairly strong.

"Each party recognizes that an armed attack in the Pacific area on any of the parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes."

But, in the crunch, the Americans will come to our aid if it is in their strategic interests to do so--as they did in 1942, when we had no treaty links.

Why have Anzus, then? The answer is that it enables the support to be rapidly effective, if the crisis arrives. In 1942 we had no common tactical doctrines, or communications, or logistics--and the consequence was that our cooperation was initially a shambles.

Under Anzus we have corrected all these shortcomings, and frequent joint exercises ensure that cooperation will, in the future, be immediately effective.

Of course, this is not the only benefit of Anzus. Our exchange of intelligence, our ability to send officers to serve with US forces to keep us informed of new techniques, and--perhaps most valuable of all--our right to place demands on the US logistic network, are great benefits for us.

If we wished to maintain our present modest level of national defence capability without Anzus, we would have at least to double our present defence expenditure!

But the more serious errors occur in Mr. Davidson's assessment of the costs of Anzus. He states:

"North West Cape is now being used to communicate with US hunter-killer submarines whose task is to destroy Russian strategic nuclear submarines, to prevent Russia from responding to a US first strike, and so degrades global deterrence."

Now it is true that North West Cape can communicate with any submarine in the Indian Ocean, but the US hunter-killer submarines do not operate to destroy the Russian strategic nuclear submarines on station, where, in deep water with freedom to manoeuvre, they are effectively invulnerable.

The hunter-killer submarines operate in focal transit areas such as the Iceland-Faroes gap, usually in cooperation with detectors on the sea-bed. These operations have nothing to do with an immediate response to a nuclear first-strike; they are more concerned with another (and very improbable) Battle of the Atlantic, which is still part of Nato planning.

In any case, it is very unlikely that there are any Russian strategic submarines in the Indian Ocean. It is hard to think of any strategic reason why there should be.

Mr Davidson also suggests that North West Cape is no longer concerned with the US nuclear deterrent because the "submarine-launched Trident missile has such range and accuracy that it can be launched from the comparative safety of the US West Coast to any target in Russia."

This is true but misleading. The great bulk of the US missile-firing submarine force is still armed with Poseidon missiles, and these submarines (which do require to operate in areas such as the Indian Ocean) will remain in service well into the next century.

It is worthwhile to summarise what the US bases in Australia contribute to the prevention of a nuclear war between the superpowers:

--They make possible the deployment of US second-strike missile-firing submarines in the Indian Ocean. These submarines, because of their invulnerability and their ability to inflict immense retaliatory damage on Russia, are a great deterrent to a surprise Russian attack on the US.

--Through satellites, warning can be given of a surprise launch of Russian land-based missiles, in time for a retaliatory launch of US missiles. This, combined with the submarines, make such an attack almost inconceivable.

--Again through satellites, testing of new Russian weapons can be monitored. This monitoring will be a vital contribution to any successful nuclear disarmament talks.

These are major contributions to making a nuclear war less likely. If one assumes, as one must, that any nuclear war between the superpowers will

inevitably escalate into an all-out exchange, with 6000 nuclear weapons detonating, there will be no place on earth to hide.

We will be victims too, whether or not we have US bases here. We cannot escape by calling ourselves a nuclear-free zone.

Far from being an Anzus "cost", these US bases are a vital contribution to our survival, To throw them out would be an act of supreme irresponsibility.

David Hamer is a senator for Victoria in Federal Parliament.

CSO: 4200/1286

AUSTRALIA

SYDNEY EDITORIAL LAUDS LANGE ECONOMIC POLICY

Sydney THE SYDNEY MORNING HERALD in English 17 Jun 85 p 10

[Editorial: "A Message for Mr Lange"]

[Text] The humiliating by-election result at Timaru over the weekend has given the New Zealand Prime Minister, Mr David Lange, a taste of how ephemeral political popularity can be. The 10 per cent swing against his Government in the by-election poll, if carried through in a general election, would sweep Labour out of office as dramatically as it came in a year ago. Such a huge swing, of course, is unlikely. Nevertheless, to lose a seat that Labour has held for 60 years suggests a certain morality for the Lange Government.

A straw that Mr Lange can clutch at is that the difficult restructuring of the NZ economy that the Muldoon Government strangled to death with regulations has almost been implemented. At this early stage, however, only the down side results of the restructuring have emerged. Home and business mortgage rates are high. Inflation could explode to 20 per cent by the end of the year. The Timaru result, as a consequence, could reflect the fact that the "more market" approach has tough initial costs for the community, and a Government's popularity.

Mr Lange is right, therefore, to keep his nerve and insist that the course of economic reform will be maintained. The cart is rolling, as it is for Mr Keating, and NZ Labour cannot jump off now even if it wanted to. Nor should it. Mr Lange's foreign policy initiatives, particularly relating to ANZUS, have been marked by naivety. But economic management has been the great success story of the Lange Government. The Budget, which came out two days before the by-election, indicated that the massive fiscal deficit inherited from Sir Robert Muldoon has already been halved. Price controls, wage controls, interest rate controls, agricultural subsidies, export subsidies, all the disastrous sacred cows of New Zealand economic management, have been butchered. The subsequent dislocation has been painful but the Finance Minister, Mr Douglas, will have room next year and the year after (election year) to cut back on the income tax rates and allow wage payments to increase by 10 per cent.

Members of the ALP Left, as well as the New Zealand Labour Left, will point to the Timaru result as an indication of what happens to reforming governments when they try to deregulate an economy. But this is too simplistic a view.

Mr Lange's response, that the electorate has had its "fling", is realistic. By-elections are not the same as elections; people vote for different reasons when the fate of a government, rather than an individual seat, is at stake. The NZ Labour Party, moreover, did not help its cause with its choice of candidate. Timaru is a conservative provincial town which is cautious in its lifestyle and parochial in its concerns. In such a hotbed of reactionary fervour, Labour's candidate could not have been more inappropriate. Ms Jam Walker's connection with Timaru lay in the fact that she was born there. Not only was she a carpetbagger, she was a feminist, a supporter of homosexual law reform and a women's group activist. These are sound credentials for a candidate running for an inner city electorate in Auckland or Wellington, but the death-knell (as it proved in fact to be) for a candidate in a drought-sticken provincial town.

The by-election result, in other words, does not necessarily compromise the free-market policy. It places a burden on Labour to choose a more suitable local candidate and, more crucially, take pains to ensure that its policies are seen to work.

CSO: 4200/1286

AUSTRALIA

DAILY CRITICIZES WHITLAM, UNESCO

Sydney THE SYDNEY MORNING HERALD in English 18 Jun 85 p 10

[Editorial: "Mr Whitlam and UNESCO Reform"]

[Text] Paris has long been a favoured haven for exiled, dethroned or otherwise lost political leaders. The longer Mr Whitlam resides in that city, it seems, the more he acts the role of a displaced leader rather than his job, which is Australian Ambassador to UNESCO. His latest published communication to Canberra, for instance, was an irritated condemnation of the Government's failure to nominate Queensland rainforests for the UNESCO World Heritage List. The response of the Environment Minister, Mr Cohen, to the effect that the Australian Government makes its own decisions, was entirely justified. Mr Cohen might have added that this is another illustration of the way Mr Whitlam has consistently flouted the spirit of his Government's policy on UNESCO and its current crisis.

The United States withdrawal from UNESCO, unlike its previous withdrawals from some international organisations, now seems irrevocable. The loss of US funding, formerly a quarter of UNESCO funds, has created a severe financial crisis which threatens the future of the organisation. The Director-General Dr M'Bow, has implemented some belated economies, and the Soviet Union and France have increased their subventions. But Britain will next withdraw, by the end of this year, if it is not satisfied with the pace of UNESCO reforms.

The organisation may well survive, albeit in a reduced form. Just how reduced it will be now depends on two things--the ability of Dr M'Bow to implement deeper reforms (of which many of his critics are sceptical), and the response of Britain and a much larger group of nations, not all of them Western, which have expressed deep dissatisfaction with Mr M'Bow's administration. A clear outline of UNESCO's immediate future should soon emerge from the current UNESCO Executive Board meeting, a six-week meeting which began in mid-May. But the signs of further disintegration are ominous. The countries most likely to follow the lead of the USA and Britain are Japan (now the second largest contributor), West Germany, the Netherlands, Belgium, Canada and Singapore.

Since Australia is attached to and caucuses with the "West European and Other" group (WEOG) in UNESCO, the Australian Government must now make up its mind on the question of Dr M'Bow's fitness for the task of internal UNESCO reform, and whether we will remain in the organisation even if Britain and other European nations quit. The Government scarcely needs to ask Mr Whitlam's advice on the first point. On numerous occasions he has praised Dr M'Bow, and he has never conceded validity to any of the international criticism of Dr M'Bow's performance. Moreover, he has attacked the wave of criticism of Dr M'Bow as if it were nothing but a malicious conspiracy of the Reagan Administration, the former Australian Ambassador to UNESCO (Professor Harries) and international news agencies.

Perhaps the Government's best sources of advice is a recent article by Dr Peter Lengyel, an Australian economist who joined the staff of UNESCO in 1953 and finally resigned last year, exasperated at the M'Bow style of mismanagement. Dr Lengyel persuasively argues that, given the alternatives--eventually disbanding UNESCO or re-creating it in a regional form--Australia should remain in UNESCO, even if it remains crippled until Dr M'Bow's term ends in 1987.

CSO: 4200/1286

KIRIBATI

BRIEFS

FISHING AGREEMENT--Canberra, July 19 (AFP)--Australian officials said today that they expected the Soviet Union and Kiribati to sign a fishing agreement, after a South Pacific forum to be held in the Cook Islands early next month. The tiny western Pacific island nation of Kiribati, formerly the Gilbert Islands, is made up of 33 islands. A 200-mile (320-kilometer) exclusive economic zone gives Kiribati rights over more than five million square kilometers (two million square miles) of ocean. The signing of the agreement would follow several months of negotiations between Moscow and Kiribati and is expected to cost the Soviet Union more than U.S. \$1 million. Australian officials expect the Kiribati agreement to be for 1 year and to provide for about 16 Soviet fishing vessels to use Kiribati waters, making no provision for shore-based facilities. The Soviet offer is understood to be more lucrative than any other prospective agreement for Kiribati. President Ieremia Tabai said earlier this year the negotiations were purely commercial. [Text] [Hong Kong AFP in English 1330 GMT 19 Jul 85 HK]

CSO: 4200/1261

LAOS

NOUHAK PHOUMSAVAN ATTENDS BANKING CONFERENCE OPENING

BK161327 Vientiane Domestic Service in Lao 1030 GMT 14 Jul 85

[Text] A conference on banking and trade work was officially held in Vientiane capital on the afternoon of 9 July. The conference was attended by more than 300 delegates of various economic branches from Vientiane municipality and province and from Bolikhamsai, Houa Phan, and Xieng Khouang Provinces along with chiefs of various collective and state-run shops. Attending [also were] a number of other distinguished guests.

Nouhak Phoumsavan delivered a speech addressing the delegates to the conference. He pointed to the significance of the banking and trade work--the two branches of work which are related to all economic activities in the society. An effective implementation and fulfillment of the work or roles and responsibilities of these two branches will create favorable conditions for the state economic establishments to translate into reality the party's line and policies aimed at switching from small to large, socialist modes of production. He said: To successfully implement the said great task, it is required that changes be simultaneously made by the bank and trade cadres as well as by cadres of all economic branches, ranging from the central down to the local and grass-roots levels, on the basis of the spirit of the resolutions of the Political Bureau and the Council of Ministers on the switching to the new economic management apparatus. In conclusion, first vice chairman of the Council of Ministers Nouhak Phoumsavan encouraged all the delegates to together pay attention to studying the issues in order to achieve a glorious success in the conference. He instructed them to compare the banking and trade work with the practical work of their branches and then adopt measures to settle the present remaining problems to together strive to make the economic establishments consistently develop by strictly pursuing the party's line, plans, and policies.

CSO: 4206/156

LAOS

SARAVANE'S TIES WITH SRV SISTER PROVINCE VIEWED

BK210858 Vientiane Domestic Service in Lao 0530 GMT 17 Jul 85

[Feature article: "Saravane-Quang Nam-Da Nang Friendship"]

[Text] Over the past years, Da Nang has been called Laos' gateway to the sea. This is because thousands of metric tons of various types of goods, equipment, and other material have been transported annually to and from Laos through this seaport city. Since Quang Nam-Da Nang has established sister relations with Laos' Saravane Province, the friendly relations between these two provinces have been daily strengthened and harmonized. Quang Nam-Da Nang has sent a number of cadres and workers in the communications and transport, educational, cultural, public health, and other fields to provide assistance for Saravane Province and the new province of Sekong. Recently, Quang Nam-Da Nang has helped Saravane build various projects including the 54-meter Beungkham Bridge across the (Set) River on Route 13B linking Khong Sedone and Saravane and the 100-meter (Khong) Bridge. It has also helped Saravane build an auto repair shop.

In the center of Saravane provincial town, which was destroyed during the war, there is now a small electrical power center together with a loud-speaker system with a total of more than 8 km of electrical and loudspeaker lines. There are also a reservoir for the offices and organizations of the city and a brick factory capable of producing as many as 200,000 bricks per year. This year alone, Quang Nam-Da Nang is helping Saravane Province build up more veterinary cadres and set up another hospital. In addition, Quang Nam-Da Nang has helped build up and train a number of primary and intermediate-level cadres in the agricultural, postal, and public health fields as well as technical workers and artists.

In Da Nang, the Vietnamese people have become familiar with Lao cadres and have regarded them as their sisters or brothers of the same mothers. Each day, as many as 100 Lao trucks have carried goods from Laos to the seaport and from the seaport to Laos. In this seaport as well as in the (Kien Sa) and (Nam Han) wharves and in the town of Da Nang, the fraternal Lao and Vietnamese cadres and workers have competed in carrying out tasks in a spirit of close alliance and have created favorable conditions for each other to fulfill successfully the task of loading, transporting, and keeping goods in a timely manner while guaranteeing security.

In addition to fulfilling their daily tasks, on occasions of the commemoration of Vietnam's significant days, the Lao cadres in Da Nang have joined with the Vietnamese workers in engaging in socialist labor to set up cultural projects to serve the daily life of the people. For example, they have jointly engaged in socialist labor to build the (Kien Vuong) theater and the Da Nang youth center. In the burning sun during the 1983 dry season, the Lao and Soviet workers actively joined in working in the seaport to make money in return for the labor and to put it in the bank for an assistance for the people of Nghe Tinh and Binh Tri Thien Provinces, who had suffered a natural disaster--a whirlwind. The Lao youths, together with the Vietnamese youths, have donated the money they have made from their joint labor contract to buy a vehicle as a gift for the disabled comrades in the (Song Ha) camp, Hoi An Canton, on the occasion of the Vietnamese disabled day. When Quang Nam-Da Nang was building many big projects--such as the large irrigation project in (Kui Minh), the Da Nang shopping center, and others which needed a large quantity of various types of materials and equipment--our Lao cadres lent them hundreds of metric tons of cement and plywood to help them solve the materials shortage problem in a timely manner.

In addition, the two sister provinces of Quang Nam-Da Nang and Saravane have organized regular exchanges of visits by delegations to learn of each other's experiences. Quang Nam-Da Nang and Saravane, as well as Sekong Province and all other places in the lands of the two countries of Laos and Vietnam, have now been daily paved with close, friendship relations; fraternal sentiments; and the special solidarity between the two peoples who had fought in the same trenches in the past and who have together followed and will follow the same path of national construction in the present and in the future.

CSO: 4206/156

LAOS

THAI SIDE SHOULD RESPOND TO LAO PROPOSAL

BK261413 Vientiane Domestic Service in Lao 0530 GMT 25 Jul 85

["Talk": "Why Has There Been no Response to Lao Side's Good Intentions?"]

[Text] Although it is the Lao side which has suffered anguish and the Lao people who have suffered losses of lives and property as a result of the Thai side's action, they have displayed extreme restraint by making numerous sacrifices and have tried in every way to safeguard and improve the time-honored traditional brotherly and neighborly relations between the Lao and Thai peoples. The Lao side's acts, including the numerous proposals, such as those advanced in the 6 June statement of the Foreign Ministry and Lao Foreign Minister Phoun Sipaseut's official letter dated 1 July [sent to Thai Foreign Minister Sitthi Sawetsila], not only conform to the aspirations of the Lao and Thai peoples and the spirit of the Lao-Thai and Thai-Lao joint communiques issued in 1979, but have also been extensively supported by international organizations. UN Secretary General Perez de Cuellar has also voiced support for the Lao Foreign Ministry's proposal and has encouraged the Thai side to conduct negotiation with the Lao side. At the same time, several important UN figures have also highly valued the Lao side's proposal, saying that it will positively contribute to improving relations between Thailand and Laos.

The contents of the Lao side's sincere proposal should and can be implemented for they are not unreasonable and in no way run counter to the interests of the Lao and Thai peoples. The Lao side's proposal contains many good points which are of constructive value and beneficial to the Thai and Lao peoples. Of course, the Thai side is fully aware of this fact and used to say that it wanted to hold negotiations with the Lao side. However, they also set unreasonable conditions for holding such negotiation, which could not be met by anyone. This means that they only pay lip-service to negotiations and cannot really plunge into settling the problem. This can be shown by the elusive stand of the Thai side in systematically avoiding giving any response to the Lao side's reasonable proposal.

All this clearly shows that the ultrarightist reactionaries in the Bangkok ruling circles are afraid of the truth and that their past misdeeds may be exposed. If one carefully studies this issue, one will see more and more of their crimes against Laos. The Thai side is the wrongdoer. The

Thai ultrarightist reactionaries have created the tension in Thai-Lao relations, destroying the contents and spirit of the Lao-Thai and Thai-Lao joint communiques and subjecting the fine Thai-Lao ties to this tense situation.

The Thai reactionaries have sent bandit to rob the Lao people of their property, and have smuggled exiled Lao reactionary spies and commandos into Laos to carry out terrorist activities and to create disturbances to undermine the happiness of the peoples living along the Thai-Lao border. In addition, they have also tried to obstruct cross border visits between the Lao and Thai peoples. More serious still, they have slandered and accused the Lao side of committing misdeeds. They have constantly thrown the blame on the Lao side and have frequently created confusion to make the two fraternal peoples misunderstand each other.

In the meantime, the Thai ultrarightist reactionaries have also set up an economic blockade against Laos. This can be seen from their acts in hoarding goods, obstructing the transportation of transit goods to Laos, and so forth.

The Thai authorities' acts clearly show that they are now following the path of creating tension set up by the regional reactionaries. They also show that the influence of the Thai ultrarightist reactionaries tightly controls the Bangkok administration.

However, the entire Thai people must fully understand the great danger which will be created by the dirty hands of the ultrarightist reactionaries in the Thai ruling circles. This is because their desperate struggle is no different from the old Lao saying: "bailing the water into one's boat, and taking a tiger into one's home."

CSO: 4206/156

MALAYSIA

BRIEFS

MINISTER ON BROADCASTING ACCORD WITH JAPAN--Information Minister Datuk Rais Yatim said today that Malaysia and Japan will increase cooperation in broadcasting, including exchanging television programs. Ending his 3-day visit to Japan today, Datuk Rais said his visit was successful in increasing cooperation between the broadcasting systems of Malaysia and Japan. He reached an understanding with Japanese officials on the exchange of television programs between the RTM [Radio Television Malaysia] and NKK and on the training of broadcasting personnel in Japan. He further said that RTM and NHK will jointly produce documentary films. The information minister also said Japan is considering participating in the Asia Pacific Institute of Broadcasting and Development, which has an office in Kuala Lumpur. [Text] [Kuala Lumpur BERITA HARIAN in Malay 19 Jul 85 p 5 BK]

SECOND NEW SARAWAK PAPER--Kuching, Monday--Two more English language newspapers are expected to hit the streets in Sarawak soon. They are the broadsheet PEOPLES' DAILY and the DAILY SUN, a tabloid newspaper. The PEOPLES' DAILY is believed to be backed by a group of local businessmen while a political party here is said to be behind the DAILY SUN. [Excerpts] [Kuala Lumpur NEW STRAITS TIMES in English 23 Jul 85 p 5 BK]

CSO: 4200/1263-F

NEW ZEALAND

ANTI-DAVIS MOVE FAILS IN COOKS

Wellington THE EVENING POST in English 15 Jun 85 p 7

[Text] Rarotonga, June 14.--A motion of no-confidence in the Cook Islands Government of Sir Thomas Davis was withdrawn this afternoon after members of the Cook Islands Party decided not to support it.

The motion, lodged by Nikao Democrat Mr Vincent Ingram had earlier been supported by CIP leader and Deputy Prime Minister Geoffrey Henry and the party's central committee.

In a letter in the "Cook Island News," Mr Ingram and another member of Parliament, Mr Papamama Pokino, had said that a CIP government led by Mr Henry would have been the most likely outcome if the vote in the 24-member house had succeeded.

Sir Thomas had said in a radio broadcast two weeks ago that if Mr Henry was disenchanted with the 10-month-old coalition Government he should resign and let another CIP coalition member take his place.

But Sir Thomas appeared to quell speculation that Mr Henry's future as deputy prime minister might be in doubt when he said today: "I've won more battles by turning a blind eye than I've lost."

After the motion was withdrawn, Mr Henry told "Cook Islands News" that recent events would bring better understanding between the two parties in the coalition,

"Sometimes it takes a storm to bring out the best in a coalition system," he said.

Mr Henry said the decision by CIP MPs not to support the motion had been based on personal attitudes to Mr Ingram, and the party would not support any further motions lodged by him.

CSO: 4200/1290

PHILIPPINES

NEWSMAN ANALYZES COMMUNIST INSURGENCY STRATEGY

HK240605 Hong Kong AFP in English 0550 GMT 24 Jul 85

[By Teodoro Benigno]

[Text] Manila, 24 Jul (AFP)--The Philippine communist insurgency has shifted tactics in favor of a two-pronged offensive blending military muscle in the countryside with widespread subversion and eventual uprising in the cities.

Recent communist documents made available to the foreign press here indicate the communists have abandoned the Maoist doctrine of encircling and eventually engulfing the cities, particularly metropolitan Manila with its 7.5 million inhabitants.

Correspondingly, the proletariat has replaced the peasantry as the spearhead of the New People's Army (NPA) rebellion and the communist leadership now flaunts the ideological banners of "Marxism-Leninism" in Asia's only Roman Catholic country.

What this means, analysts say, is that as about 15,000 NPA guerrillas wage war in the countryside, their unarmed underground partisans in the cities infiltrate almost every organization to bring the insurgency right to the doorstep of the government.

The NPA has sliced its timetable for a takeover in the 1990's and now is optimistic it can advance to the "strategic stalemate" phase in 3 to 5 years time and capture power shortly after.

The communists claim to have taken over the leadership of one-third of key labor unions besides penetrating student and teachers organizations, professional groups, urban poor, religious bodies, and even the media and military.

For a battering ram, the NPA, through its broad-based National Democratic Front (NDF) has forged the "people's strike" (welga ng bayan). The documents indicate such "people's strikes" could severely shake the nation late this year and next year.

Communist implantation [as printed] in the cities also means, it is added, that the NDF now methodically seeks to neutralize the so-called "middle forces" if not to get their sympathy and eventually their support and alliance.

The "middle forces" actually embrace the main segments of the Filipino bourgeoisie, such as the Catholic hierarchy, professionals, intelligentsia, businessmen, and even the traditional moderate political parties.

After the fashion of Nicaragua, analysts say, the communist leadership hopes the middle forces will gradually be so smitten by the "hate factor" they will eventually cast their lot with the NPA insurgency.

In the late 70's, Nicaragua's middle forces, notably the Catholic hierarchy, disgusted over the excesses of dictator Anastacio Somoza and American support for his totalitarian regime, went over to the side of the Sandinista revolution.

Two days after Somoza fled Managua 17 July 1979, the Sandinistas, whose core is Marxist-Leninist, took over power with the sons and daughters to the rich and propertied class themselves helping to spearhead the final assault.

Ferdinand Marcos, now 20 years in power, however, claimed in his state of the nation address Monday he had the NPA insurgency under control and with "economic recovery" underway, the communist threat would wither away.

In its latest May-June issue, LIBERATION, which is the official international publication of the NDF, said people's strikes against the "U.S.-Marcos dictatorship" would be a "prelude to the outbreak of future popular uprisings."

With people's strikes "gaining breadth and intensity," LIBERATION said, "the waging of urban popular uprising in turn is projected by the NDF to be coordinated with the general advance and intensification of the armed struggle in the countryside."

Another major shift in communist tactics is the decision to participate in the scheduled 1986 local elections, particularly in southern Philippines or Mindanao, the NPA stronghold, where NDF-supported candidates are expected to dominate.

Rebuffed in their boycott campaign in the 1984 National Assembly elections, the communists have evolved a two-track armed revolution-parliamentary struggle with a "coalition government" in view, it is said.

This is where the two-pronged offensive in countryside and city makes sense to communist leaders because they expect the middle forces to gradually turn against the Marcos regime and heed their clamour for setting up a "coalition government."

Such a coalition government can only take form if the president should step down in the face of overwhelming social strife and the 200,000-strong armed forces becomes neutral or considerably weakened, it is added.

Both the NDF and the Communist Party leadership--as did the Sandinistas in Nicaragua--have gone on record as favoring a coalition government with the pledge that pluralism, democratic elections, and civil liberties would prevail.

The current fear of various leaders of the "middle forces," however, is that such a coalition government would eventually break down in favor of a complete communist takeover in the Philippines.

PHILIPPINES

SUPREME COURT ORDERS ENRILE, RAMOS TO PRODUCE MISSING PRIEST

HK190930 Hong Kong AFP in English 0901 GMT 19 Jul 85

[Excerpt] Manila, 19 Jul (AFP)--The Philippine Supreme Court today ordered the defense minister and acting armed forces chief to produce at a hearing on Thursday a dissident Roman Catholic priest, allegedly kidnapped by military agents last 11 July.

The court told Defense Minister Juan Ponce Enrile and acting Armed Forces Chief Lieutenant General Fidel Ramos to respect the rights and allow a medical examination of Father Rudy Romano, an officer of the New Patriotic Alliance (Bayan), a militant opposition group.

The government has denied any hand in the disappearance of Father Romano, whose church superiors alleged in a supreme court petition that he was seen being kidnapped at gunpoint by suspected troopers in the central city of Cebu.

They said eyewitnesses saw the priest being forced into a car with government license plates.

Clerk of court Gloria Paras told AGENCE FRANCE-PRESSE that the court issued the order on the assumption that the priest was in the respondents' custody.

CSO: 4200/1258

PHILIPPINES

VISAYAS CHURCH-MILITARY DIALOGUE RESUMES

Bacolod City THE COUNTRY POST in English 25 May 85 p 1

[Text] The church-military liaison committee (CMLC) in Western Visayas was reactivated recently down to the municipal level in all provinces as an effective venue for communication between the military community and the church sector.

Regional Unified Command 6 Public Information Officer Lt Col Benigno Casio, Jr., disclosed that even before the publication of a GHQ directive to reestablish the CMLC PUC commander, Brig. Gen. Isidoro de Guzman had already issued a guidance to all field commanders to revive the CMLC dialogues between military units and various church denominations.

The first recorded CMLC dialogue was held in Bacolod City last December 15, 1984 between the Catholic church headed by Bishop Antonio Fortich and the RUC headed by de Guzman.

A series of dialogues were likewise conducted in the provinces of Iloilo, Capiz, Aklan and Antique to thresh out problems regarding the relationship of church and the military, Casio reported.

The CMLC seeks to establish report and more meaningful relationship and serve as venue where problems are discussed and solved.

The dialogues will also enable field commanders to come up with more accurate analysis of local situations and to remove irritants and misunderstanding arising due to absence of communications.

The CMLC dialogue and exchange of ideas is expected to enhance better appreciation by the clergy of problems faced by military units, Casio added./lp

CSO: 4200/1281

PHILIPPINES

CATHOLIC, PROTESTANT PROGRAM LEADERS ALLEGE MILITARY HARASSMENT

Baguio City THE GOLD ORE in English 29 Jun 85 pp 1, 9

[Text] A military crackdown on social action projects of the religious sector is feared by church workers who charge that new tactics of barging into offices of church programs without search warrants are now being employed.

Such a new form of harassment was reportedly experienced by the Clergy-Laity Formation Program (CLFP), an ecumenical religious program headed by church leaders of both Roman Catholic and Protestant churches.

A newly established program in June 1984, the CLFP, now chaired by Bishop Benito Dominguez of the United Church of Christ in the Philippines (UCCP), was formed to help provide biblical and theological needs of the religious community in the city.

Bishop Dominguez reported that last June 21, four men posing as linemen and electricians from the Benguet Cooperative (BENECO) came to the CLFP Office at Camdas Subdivision to "conduct a survey on the number of convenience outlets and what type of appliances are being used." Only one showed a BENECO ID and identified himself as "Virgilio Crezo."

The CLFP staff became doubtful, however, on the real motives of the "BENECO personnel" because it was learned later that the four were not from BENECO and the electric cooperative is not conducting such a survey. It was only the CLFP office that they surveyed, not all Camdas households, as they told the church workers. One of the CLFP staff also inquired about the update on the debt of BENECO with the National Power Corporation but the four were ignorant about it.

What was surprising, the CLFP workers said, was the "BENECO personnel" took a sketch of the floor plan of the office.

Concerned over the welfare of her tenants "because they might be robbers of thieves," Mrs Ester Gonzales, owner of the house rented by CLFP and a barangay councilwoman of Camdas, went to verify with BENECO. She learned that "Cerezo" is from City Hall.

A day before the four conducted the "BENECO survey" in the afternoon of June 20, a certain "Johnson," who claimed to be in search of a job, came to the Gonzales' residence looking for Lorenzo, one of Gonzales' sons. Lorenzo, who he said was a former classmate, was not in the house. This "Johnson" was inquiring about what CLFP is, what its machineries are, among others.

It was learned that "Johnson," accompanied by a certain Capt. Tinaza and other three men, have also gone to the house of Lorenzo at La Trinidad, Mrs Gonzales said that Lorenzo was twice invited to Camp Dangwa "to identify some names and pictures and to give some information about the activities of CLFP." Lorenzo was also reportedly told of a plan to "raid the office." Alarmed by all these, Lorenzo came to Camdas to inform his mother.

Some lawyers and the Northern Luzon Human Rights Organization (NLHRO) were consulted, and they commented that such plot seemed to be in conjunction with the fielding of the dreaded secret marshals in the city now also known as the "Task Group Blue Li- [word illegible].

CSO: 4200/1281

PHILIPPINES

MARINES FIRE ON SQUATTERS; STUDENT KILLED

HK231500 Hong Kong AFP in English 1452 GMT 23 Jul 85

[Text] Manila, 23 Jul (AFP)--Soldiers today killed a student when they fired at squatters who clashed with a government crew dismantling shanties in a property said to be owned by President Ferdinand Marcos' son-in-law, police said.

Police said 16-year-old student, Shintaro Sanchez, was shot dead by Marine troops helping the Philippines National Housing Authority (NHA) wrecking crew who clashed with more than some 30 squatters resisting the demolition. Two children were seriously wounded after they were hit by stray bullets, police added. The clash occurred at a 7.2 kilometer (18 acre) lot, in nearby Quezon City, inhabited by squatters.

Police said the Marines were forced to fire when squatter protesters began lobbing home-made bombs at the NHA crewmembers.

A Roman Catholic nun from the Task Force Detainees of the Philippines (TFDP) said she saw the squatters "helplessly being beaten up" by government men when the Marines fired at them. The nun said there was an explosion afterward but she doubted that the bomb had come from the squatters.

The TFDP, a human rights agency run by the Roman Catholic Church, issued a statement saying the demolition order came from Greggy Arnaeta, husband of Mr Marcos' youngest daughter Irene and head of his family's real estate firm which owned the contested land. The statement said 23 people were injured in the clash.

The squatters who resisted the demolition were members of some 30 families whose claim to the land was dismissed by the Supreme Court, GMA 7 television reported, quoting an NHA statement.

The station showed video footage of soldiers firing rifles as they searched the bush around the shanties, and of women crying helplessly as their houses were torn down.

CSO: 4200/1278

PHILIPPINES

LAWYER ALLEGES MILITARY PROTECTS ILLEGAL LOGGING

Baguio City THE GOLD ORE in English 29 Jun 85 pp 1, 2

[Text] Military operations in the Central Cordillera are not only aimed against the New People's Army guerrillas based in these northern Luzon mountain ranges but "also to protect logging concessionaires."

The logging activities need protection by the AFP soldiers "because of the strong opposition of the people."

Atty. William Claver of the Cordillera People's Alliance said in an interview this week that the President "has given license to the logging in the area including in the watersheds of the Abulog River and other main streams in northern Apayao, a place he described as "where, in any language, no logging should be conducted."

"That is the reality. Whereas the President proclaims in bold letters in the headlines that logging has been banned, he had permitted logging in Kalinga-Apayao, especially in Conner, as of March 15, 1985. Just three weeks, I think, after he came up with his logging ban."

Claver said the logs which are exported through Port Irene are of prohibited varieties such as Narra. From data supplied him, Claver said these Philippine hardwoods are exported to Japan and used for "veneer" purposes.

Linking up the anti-insurgency operations by the military and their protection of illegal logging activities, Claver charged that the "escalating" reports on heightened insurgency "smacks of the old tactic of budgetary huku."

"The Philippine government is hard put at getting more funds from abroad," Claver said, at the same time that it seeks more military aid from the US, it also needs to generate more dollars to pay for its massive foreign debts.

"Tremendous" is the way the former Constitutional Convention delegate and chairman of the Concon Subcommittee on Natural Resources, describes the dollar earnings from the logging activities.

He explained that with other sources of hardwood in Indonesia and Malaysia cutting down on exportations, the demand for Philippine hardwood has increased. Forest fires and the successful protect actions of environmentalists have reportedly reduced the log exports of these two ASEAN nations.

"Marcos is very much aware of this," he said and called the President "the Architect of this reckless denudation of our forests."

Japan buys most our Pine log exports, he said. The other hardwood logs are exported to the United States for veneer purposes. This has been since long before, Claver said, martial law was declared in 1972.

Claver said the continued logging operations is also a source of income for the NPA, which he says may have tripled its forces in the area in the past year," judging from the military atrocities there."

He predicted that the NPA there might gain control in less than three years, a shorter period than that predicted by Defense Minister Juan Ponce Enrile and National Democratic Front spokesman Antonio Zumel.

Claver described the NPA activities in the Cordillera as "behind those in other areas of Luzon and the whole country."

CSO: 4200/1281

PHILIPPINES

PROVINCIAL SEMINAR ON INTEGRATED SECURITY PLANS

Bacolod City THE COUNTRY POST in English 18 May 85 p 1

[Text] A seminar on Integrated Security Plans for the defense of towns and cities was held last week in San Jose, Antique.

Sponsored by the Antique Peace and Order Council, the seminar was attended by municipal mayors, civil security officers, station commander chief of government officers.

The activity Col. Alfredo Daluyaya, Antique Provincial Commander said, is intended to formulate a program of action on integrated security plans to save lives and property. Duluyaya said that the program of action should be planted by the military together with the local government officials.

Antique is generally peaceful, the Provincial Commander remarked, but some towns are in danger of threats from insurgent elements.

Antique Governor Enrique A. Zaldivar, in his welcome address, said that the solution to the peace and order problem involves not only the military but also the civilians. All sectors must cooperate and each one should know his role and expectations for the effective implementation of the integrated security plans.

Staff from the Regional Unified Command (RUC) in Iloilo City gave the briefing to the participants, the Regional Command Staff said that the New People's Army (NPA) has increased its forces and today the ratio is one NPA to every member of the military. The Staff said that about 12.6 percent of the barangays in the Western Visayas are infiltrated by the NPAs and these are barangays where government influence and control is weak.

Among the provinces in the Western Visayas, Antique ranks third in NPA infiltration, the RUC staff revealed./pfa

CSO: 4200/1281

PHILIPPINES

CENTRAL BANK GOVERNOR ON IMF SECOND TRANCHE

HK231604 Manila BUSINESS DAY in English 23 Jul 85 p 2

[Article by Rigoberto D. Tiglao]

[Text] Central Bank [CB] Governor Jose B. Fernandez Jr. yesterday said he expects the International Monetary Fund (IMF) to release the second tranche or second portion of its credit facility to the country by the start of next month. This, he said, will enable the country to draw on the first part of the \$925-million commercial loan from foreign banks by mid-August.

"We've made the request (to draw on the second tranche) last week and I expect the IMF to release it 3 August or 4 August," Fernandez said. CB sources claimed that the release could be a little earlier, since in accordance with IMF standard procedures, loan releases are made only on the 15th or 30th of the month.

The governor added that the CB, soon after the release of the \$108-million IMF tranche, will be able to comply with the conditions required by the banks. BUSINESS DAY sources in the CB explained that the buildup of the CB's international reserves to slightly more than \$1 billion will allow it to settle all interest arrears it owes to the banks within the next few weeks--one of the major preconditions required for the release of the new commercial loan.

Fernandez indicated that the settlement of the arrears will not put pressure on the CB's international reserves since the proceeds of the first \$400-million portion of the new money will replenish the foreign exchange used to settle the arrears.

CB officials also explained that while the government has committed to the IMF that it will settle by the end of this month a total of \$1.2 billion, including such arrears, in overdue payments for services (airline/shopping companies' remittances, foreign companies profits, dividends, etc.), the Fund has agreed to consider such schemes as the conversion of these arrears into dollar-denominated CB certificates of indebtedness as a technical settlement of the arrears.

Fernandez said one of the major items in the agenda for the meeting of the World Bank's consultative group subcommittee for the Philippines is the government's request for less restrictions on the disbursement of official credits

which had already been committed. "We're asking them for instance that we be allowed to use proceeds of Japanese project loans for importation of materials not necessarily from Japan," the CB governor said.

The CB governor said no meetings of the consultative group subcommittee has been scheduled for this year, and that the country's economic performance will be discussed in the regular consultative group meeting scheduled for next year.

Government sources said this is an indication that the consultative group is "broadly satisfied" with the country's economic performance in the past several months. This is because the meeting last week was actually a "sub-committee" meeting, called by the consultative group in its last meeting early this year to more closely monitor the country's economic performance and pressure the government into pursuing the economic policies it promised to undertake. The subcommittee meeting was initially intended to be convened every 3 months.

The two fund sources expected soon--the IMF's second tranche and the commercial banks' first--actually represent merely the two "go-signals" necessary for the foreign banks to start the \$2.9-billion revolving trade facility, which the local financial community is banking on to give the much-needed push to the country's sputtering economy. "The new money won't mean anything for industry since it will be used for settling arrears. But the trade facility will mean that industry can start getting its raw materials again on a normal trade credit basis," the president of a major commercial bank explained.

The continued implementation of the trade facility will still require the IMF's "renewal" of its "seal of goodhousekeeping" nearly every 3 months. Before the country can draw on the next or third IMF tranche scheduled for September--which in effect is a condition for the maintenance of the trade facility--another full assessment by the Fund of whether the government complied with economic targets for July and September is required.

CSO: 4200/1258

PHILIPPINES

PRC ENVOY DISCUSSES SINO-PHILIPPINE TRADE

HK251427 Manila BUSINESS DAY in English 25 Jul 85 p 2

[Text] China is considering Philippine offers to sell some sugar mills and a pulp and paper plant, but these are still under negotiations.

Chinese ambassador to the Philippines, Chen Songlu told newsmen yesterday that no formal proposal has been submitted but it is believed that the sale of these mills was discussed during the recent visit of a Philippine trade mission to China.

The number of sugar mills to be sold to China is still unclear. The Philippines is trying to sell Cellophil Resources Corp., a former Herdis-owned pulp and paper plant.

Trade between the Philippines and China is expected to expand further this year as a result of efforts on both sides to bolster the two-way trade.

Chen told members of the Financial Executives Institute of the Philippines (FINEX) yesterday that since the opening of formal trade relations between the two countries, bilateral trade has expanded considerably.

The trade balance, however, has always been in favor of China as a result of the substantial crude oil imports made by the Philippines yearly.

He said the Chinese side has been trying hard to increase imports from the Philippines in order to reduce the country's trade deficit.

For this year, in addition to importing from the Philippines such traditional commodities as coconut oil, copper ore, timber and plywood, China has started buying phosphate fertilizer, copper cathodes, cement, bananas and mangoes.

Chen said it is expected that the trade volume between China and the Philippines this year will grow even bigger than in 1984.

Total two-way trade last year reached \$230 million. Chen said the goal is to reach \$500 million yearly.

From 1980 to 1982, the volume of trade between China and the Philippines increased by an average of over \$300 million each year, five times more than the level in 1975 when formal diplomatic relations started.

Chen also said that for this year, the Philippines is expected to import from 700,000 tons to 900,000 tons of crude oil and some 100,000 tons of rice from China.

He said the Philippines and China can have wide ranging economic and technological cooperation in agriculture, light and textile industry, mining and metallurgical industry, mini-hydro power stations, power transmission and transformation projects as well as civil engineering and construction.

Chen also said that China intends to maintain its strategy of opening the country to the outside world and expanding economic and technological exchanges with foreign countries.

CSO: 4200/1278

PHILIPPINES

GOVERNMENT TO SELL PULP FIRM'S EQUIPMENT TO PRC

HK231602 Manila TIMES JOURNAL in English 23 Jul 85 p 8

[Text] The government will sell the remaining equipment of Cellophil Resources Corp. to China, Prime Minister Cesar Virata told the TIMES JOURNAL yesterday.

Virata said the negotiations between the Philippines and the Chinese Governments are underway to facilitate the sale of the moribund pulp firm.

He said that there is a lack of raw materials in the area where the firm was constructed to support its operations for the manufacture of thick pulp fibers for export abroad.

Cellophil, bought by the National Development Company from the Herdis Group of Companies under Presidential Letter of Instruction [LOI] No 658, as amended by LOI No 658-A, in 1978 operates a large timber concession and a pulp mill.

Established in 1977, the 200,000 hectares of forest concession areas established by Cellophil in various parts of Abra, Ilocos Sur, Ilocos Norte, Kalinga Apayao and Mountain Province is estimated to cost at about P200 million.

Virata refused to reveal how much the government plans to sell the troubled pulp firm [for].

Sources in the government, however, said that Cellophil will not be sold at a salvage value but at a competitive price.

CSO: 4200/1258

PHILIPPINES

LACK OF FUNDS DELAYS CORDILLERA DEVELOPMENT PLAN

Baguio City THE GOLD ORE in English 29 Jun 85 pp 1, 3

[Article by Robert L. Domoguen]

[Text] La Trinidad, Benguet--Inability of the government to put up counterpart funds has frozen a P450 million development plan which would convert the Cordillera provinces into the region's leading food producing center.

Called the Highland Agricultural Development Program, the plan was to be financed with a \$23.1 million loan from the Asian Development Bank (ADB) with matching funds from the government.

Agreement on the loan was reportedly signed October 1983 but implementation of the plan has been stalled due to lack of government counterpart funds, according to sources in the Highland Agricultural Research Center (HARC) based here.

The need of the Cordillera's for development help from the national government is shown by its households suffering incomes below the national average, their inability to produce food needs and the lack of socio-economic infrastructure such as farm-to-market roads and public health centers.

Inability of the government to provide money for the plan is due to its crippled financial condition as a result of the national economic crisis, the HARC sources said. They expressed optimism that implementation of the plan could start next year because the government obtained fresh foreign loans to finance its economic recovery program.

Main features of the plan are modernization of upland agricultural practices, provision of necessary support services including production credit and improvements in socio-economic conditions of residents while restoring the area's ecological balance.

Such development requirements were determined in a study of the area by experts from the Food and Agriculture Organization (FAO in cooperation with counterparts from the agriculture ministry).

CSO: 4200/1281

PHILIPPINES

BRIEFS

FIRST LADY MEETS JAPANESE--The first lady, Mrs Imelda Marcos, has reaffirmed the government's policy to pursue human resource development in line with the country's self-reliance program. She stressed this during a courtesy call by the visiting Japanese parliamentary delegation at Malacanang. She said the importance given to human resource development is [words indistinct] in government priorities to nationwide self-reliance and livelihood programs. Meanwhile, the Japanese delegation, led by (Shigetami Sonada) called for expanded exchange programs in the academic field. The mission is on a tour of Southeast Asian countries to find out [words indistinct] Japanese official development assistance in human resources development and technical cooperation projects. They are scheduled to call on the president today. [Text] [Quezon City Mahalika Broadcasting System in English 0000 GMT 23 Jul 85]

MAYORS ON U.S. BASES--Local executives where the U.S. military bases are located gave their views on the issue of the bases renegotiation. Angeles City Mayor Francisco Nepomuceno cautioned against hasty and emotional reactions, but Olongapo City Mayor Richard Gordon is for reminding the Americans that the agreement has to be honored and commitment must be adhered to. [Begin Gordon recording] I think it's about time that we abrogate the treaty if America cannot live up to its part of the agreement. Abrogation that can lead to a renewal of the bases treaty and would mean a negotiation of the treaty [words indistinct]. You go ahead and abrogate the treaty, which is no longer workable, and then you renegotiate the treaty. I think that when we renegotiate we should go for [words indistinct] the rental aspect of the bases treaty. [Words indistinct] using the base for [words indistinct] during the last 5 or 7 years, they found that [words indistinct]. [Words indistinct] [end recording] [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 23 Jul 85]

SPEED-UP SUGAR QUOTA SYSTEM--President Marcos ordered the Philippine Sugar Commission [Philsucom] and other government agencies to speed up the adoption of the sugar quota system. The president's move aims to bring down sugarcane hectarage from the present 400,000 to 300,000 in order to relieve the distressed sugar industry. He said some 300,000 hectares planted to sugarcane would produce 1.5 million metric tons of sugar for local consumption for the country's commitments to the U.S. market and for reserve stocks. He added that the quota system for sugar would systematically hasten the diversification to cash crops like rice, corn, and soybeans. The system will be worked out by government agencies headed by Philsucom in cooperation with the private sector. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 21 Jul 85]

THAILAND

COLUMNIST ON ECONOMIC RELATIONS WITH UNITED STATES

BK230845 Bangkok MATICHON in Thai 22 Jul 85 p 4

[Column by Suthep Atthakon]

[Excerpt] The United States cannot deny that Thailand is not only a very good friend, but also a sincere one.

Thailand has always demonstrated its desire to stand on its own feet in the fields of international politics, national stability, and economic development. It neither burdens itself nor relies on its friends. For instance, during the Vietnam war, the United States spent huge sums of money to help Laos, Cambodia, and South Vietnam but spent very little to help Thailand. It appears that Thailand is the only country that successfully managed to defend its independence and tackle the insurgency problem, as the Indochinese countries failed.

At present the United States is spending much money in the Middle East, Latin America, and even in the Philippines--our ASEAN colleague. We never complain about the 300 to 400 million baht assistance it gives us annually (although Japan gives five to six times more than this).

Regarding our national stability, independence, and sovereignty (which can effect the international community as a whole), Thailand has been implementing its policies in a rational and up-to-date manner on the basis of self-reliance. Following the debacles of the Indochinese countries, Thailand quickly and farsightedly decided to be friend Beijing. The decision has obviously benefitted our country's stability and survival.

Thailand has tried its utmost to develop its economy independently. It produces more rice, tapioca, maize, sugar, rubber, pineapple, and other crops as well as industrial products than it can consume and thus exports them. To find foreign markets for our products is a rather difficult task. Although we exported an unprecedented volume of our products during the past year, we still had the problem of a product surplus. Considering the competition and the fall of prices in the world market, Thailand will surely face a more difficult problem in searching for new foreign markets and exporting its products.

First, this is because the agricultural and industrial production in other countries will increase. For example, the United States, China, Australia, and even Indonesia can now produce more rice.

There is another important factor to consider. As we mentioned earlier, the U.S. Congress has approved billions of dollars in subsidies to U.S. farmers and exporters of agricultural goods to enable them to offer lower prices for their goods on the world market. As a result, Thailand will suffer most. The bill against foreign textile products now being considered by the U.S. Congress would reduce Thai textile exports to the United States by 64.4 percent, from 8.6 billion baht down to only 3 billion baht.

Imagine the magnitude of its impact on Thailand's economy.

Thailand wants to be self reliant and is not afraid of fair competition under the free trade system. Unlike other countries, we do not rely much on U.S. gratis aid. We still must pay for the weapons to defend our country.

If the United States treasures Thailand's struggle for self reliance and wants to keep Thailand as its good friend in Southeast Asia, both the U.S. Government and Congress should review the two major issues mentioned above. It must not let Thailand suffer from its struggle for self reliance. Economic hardship can certainly affect Thailand's national stability.

If Thailand suffers more and comes to realize that it does not benefit from being too good of a friend, it should then review its attitude toward the United States. Will there not be any country which wants to associate and help Thailand stand on its own feet?

Economics is a matter of life and death for a nation. The government must dare to act decisively and assertively.

We must dare to argue with the United States on such a vital issue.

CSO: 4207/259

THAILAND

EDITORIALS VIEW PROBLEMS IN TRADE WITH UNITED STATES

BK121236 [Editorial Report] Two Thai-language Bangkok dailies--NAEO NA and MATICHON--on 11 July carry editorials commenting on Thai-U.S. trade problems and related talks during Secretary of State George Shultz' visit.

NAEO NA's 800-word page 3 editorial, entitled "Friend," notes that during talks with George Shultz, Thailand requested relaxation of U.S. restriction on Thai exports ranging from textile to farm products. The U.S. secretary of state said he would study Thailand's request. The paper notes that Thailand's exports to the United States will face growing protectionism if the Jenkins Bill, now under consideration by the U.S. Congress, is passed into a law. Thailand's textile exports to the United States, for example, will face a cut of up to 64.4 percent. George Shultz said he opposed the bill.

"No matter what the attitude of the Reagan administration toward the bill, Thailand's exports to that country have been subjected to growing tariff barriers over the past few years. At the same time, the United States has continued to call on Thailand and other countries to uphold the free trade system. Thailand, for its part, has continued to answer the U.S. call for cooperation in any matter," the paper says. In addition to discussing the matter frankly with the U.S. secretary of state, the Thai Government and the private sector must try to lobby support from U.S. congressmen, making them realize that such protectionist moves will hurt Thailand seriously. The editorial concludes: "Thailand may also have to review its role in relations with others--whether we should adopt a soft stand or become stronger. There are different kinds of friends--fair-weather friends and true friends. We should treat them differently according to what they deserve."

MATICHON's 600-word page 3 editorial, entitled "Countertrade System," expressed concern for growing trade protectionism by the United States as well as the dumping of the U.S. crop surplus onto world markets in a bid to solve economic problems. If this trend continues, MATICHON believes a crisis is inevitable. To save themselves from bankruptcy, small countries must adjust their foreign trade policy now instead of blindly upholding free trade. "In fact, the free trade system is only a slogan

used by large countries to release their surplus to small countries. Faced with such a situation, Thailand should look at the countertrade system as an alternative. If we continue seriously with our campaign to promote the popularity of our 'made-in-Thailand' products as well as adopting the countertrade system as our policy, we will hopefully be able to overcome the economic difficulties we are experiencing," the editorial says.

CSO: 4207/259

THAILAND

EMBASSY IN UNITED STATES CITES CONGRESSMAN ON TRADE BILL

BK230902 Bangkok MATICHON in Thai 23 Jul 85 pp 1-2

[Text] According to the Foreign Ministry, a 22 July report from its embassy in Washington notes that passing a bill limiting import quotas on textile products through the U.S. Congress will not be easy. There is considerable confusion in both the lower and upper houses as to why the bill targets only Asian countries for protectionist measures, while EEC countries and Canada are given quota increases.

There have been comments in the upper house to the effect that the bill is a reaction to the decline in the U.S. foreign trade position--it was not targeted at any country in particular. Senators are concerned about the bill's prejudicial nature and possible political repercussions.

The embassy in Washington thinks the bill will pass the U.S. lower house rather convincingly but will have difficulty passing the upper house because senior U.S. officials do not fully support it.

The embassy report says in case the bill passes both houses of the U.S. Congress, it is believed that President Reagan will veto it, forcing both houses to reconsider the bill. In addition, a two-thirds combined votes from both houses to override the president's veto will be difficult to obtain. Therefore, it will be a long time before the bill goes into effect.

Supporters of the bill in the lower house do not fully understand the political repercussions of the bill. Their support is the result of their dissatisfaction with the decline in U.S. trade. In any event, chairman of the Congressional Trade Subcommittee Gibbons remains neutral on this matter, noting that the bill may not comply with GATT or with the preferential treatment agreement. He also is skeptical about the prejudicial exemption for EEC countries, Canada, and Mexico. He thinks that passing the bill will provoke retaliation against U.S. exports by affected countries, the embassy report said.

CSO: 4207/259

THAILAND

NAVAL OFFICIAL ON PROBLEMS IN ANTIPIRACY DRIVE

BK281044 Bangkok Domestic Service in Thai 0000 GMT 28 Jul 85

[Text] Navy Chief of Staff Admiral Prathuang Wongchan, together with Songkhla naval station commander Rear Admiral Prayong Charoensuwan, briefed reporters at the Songkhla naval station about the work of the antipiracy center. He said that the number of pirates has decreased every year during the more than 3 years of the antipiracy operation. The number of pirates dropped to 77 percent in the 1st year of the program, 65 percent in the 2d year, 53 percent in the 3rd year, and to only 40 percent during the 4th phase of the program started at the beginning of this year. Authorities gathered concrete evidence and arrested dive suspects on charges of piracy. One of them has been sentenced, and the other four are being prosecuted.

Asked about the problems and obstacles facing the operation, he said that the equipment is insufficient. The antipiracy unit has only three patrol boats, three leased fishing boats, and two planes--a Nomad and a G-337. The patrol boats have operational limits because they can only take nine crewmen and can operate at seas for only 2 or 3 days. With more sophisticated equipment, the operation would record greater achievements.

Asked about the program under the 4th phase, which is currently being carried out, he said that the equipment is insufficient given the large area of responsibility. If we can get bigger boats, we will be able to operate over more area, carry out longer patrol missions, and improve our working efficiency. Since we have received smaller grants from the UN High Commission for Refugees, we have only enough for operational costs and maintenance of equipment. However, we will operate to our utmost to prevent and suppress pirates.

The authorities took the journalists to observe antipiracy operations in the Gulf of Thailand off Songkhla Province using patrol boats and a Nomad aircraft.

CSO: 4207/260

THAILAND

NAVY OFFICER ON COBRA GOLD '85 EXERCISE

BK240856 Bangkok Domestic Service in Thai 1300 GMT 23 Jul 85

[23 July statement by Rear Admiral Watthanaphon Senewong na Ayutthaya, Commander of Cobra Gold 85 Exercise, at Navy Headquarters, Bangkok--recorded]

[Text] Joint exercises with the United States enable us to gain more experience, which is very useful for the Thai armed forces. The exercise command headquarters received policy and set four objectives for this exercise.

1. To enhance our knowledge and experience in formulating military plans for joint operations among the three armed forces and with other countries.
2. To increase the capabilities of our armed forces and enable them to carry out joint operations with other countries both in conventional and unconventional wars.
3. To exchange experience on the routine operations and strategies of each country.
4. To strengthen the relations and establish good understanding between the Thai and U.S. armed forces.

CSO: 4207/260

THAILAND

NSC SECRETARY GENERAL ON ANTIPIRACY PROGRAM

BK220941 Bangkok Domestic Service in Thai 1300 GMT 20 Jul 85

[Recorded Interview given by National Security Council Secretary General Prasong Sunsiri on the antipiracy program--date and place not given]

[Text] [Begin recording] [Prasong] Some 12 donor countries have granted money through the United Nations High Commissioner for Refugees. The amount of money that we will receive this year is about \$2.6 million. I have now received \$1.6 million and handed it to the prime minister. The UNHCR will hand over the remaining \$1 million to me after October.

[Unidentified reporter] Do you think that the amount is sufficient?

[Prasong] We use the money to improve our capability, such as buying equipment for the officials. If we receive less money, we will have less equipment. However, it does not mean that we will neglect the task because it is our regular work. We will do our best.

[Question] How about the big vessel that we asked for?

[Prasong] We still want a large boat, but it needs a lot of money. They have accepted our request for consideration and I have closely followed up the matter.

[Question] Will you please give us some details of the opening of the operation?

[Prasong] The operation under the new program will be officially opened next week in Songkhla Province. The donor countries' representatives and UNHCR officials will participate in the opening ceremony. The navy, which is in charge of this matter, will be responsible for the operation.

[Question] Who will inaugurate the opening ceremony?

[Prasong] As far as I know, the navy commander will inaugurate and address the ceremony.

[Question] Has the situation improved a lot?

[Prasong] Yes, the situation has eased a lot. The cooperation from our fishermen is also very helpful. [End recording]

CSO: 4207/260

THAILAND

POLICE OFFICIAL ON LEAFLETS, FORGED DOCUMENTS

BK211310 Bangkok MATICHON in Thai 17 Jul 85 pp 1, 16

[Text] Special Branch Police Commander Police Major General Kasem Saengmit summoned representatives from newspapers and magazines for a meeting on 16 July. He appealed for their cooperation in news reporting as it happened that some news reports and columns are not of a constructive nature but tend to create division among government officials. He cited as an example some gossip columns hinting at rivalry between this or that officer. He said the Special Branch Police do not want to see such news presentations but on the other hand, encourage constructive reports and comments that are useful for all.

He said those undesirable news reports are based on rumors or leaflets anonymously distributed. Recently there was a leaflet forging an Army order transferring high-ranking military officers. The signature of the high-ranking Army commander was taken from somewhere else and pasted to the copy of the order that was made into copies for distribution. The leaflet was reportedly sent to the mass media. The authorities concerned have been checking for the origin of the leaflet. Pol Maj Gen Kasem Saengmit told reporters to check to the original units for accuracy each time they receive any news like that. They can check with the Army secretary for documents concerning the Army and with the police secretary for those concerning the Police Department.

Pol Maj Gen Kasem also told newspapers and magazines not to publish confidential official documents as such a revelation can damage the official agencies concerned or the nation as a whole. He said a newspaper recently published a highly confidential document from the Finance Ministry. This affects the administration of the ministry and the ministry has requested the printing officials to take action against that newspaper. The case has already been forwarded to the Special Branch Police for legal action against that newspaper.

"If news reporting by the mass media is constructive, the Special Branch Police are ready to cooperate and will not interfere in their work," Pol Maj Gen Kasem said.

Following earlier distribution of three leaflets attacking Prime Minister General Prem Tinsulanon's aides, on 16 July there was another leaflet in the form of an order from General Athit Kamlang-ek, supreme commander and Army commander, transferring Major General Mongkhon Amphonphisit, Major Bunsup Khotcharat, and Major Mongkhon Phaophongkhilai. The order instructed an immediate transfer of the three from the service of aides to the prime minister as of 15 August.

Commenting on this, Army Secretary Major General Narudon Detpradiyut said the order was forged. The format of the order is incorrect. He pointed out: "We know that it is fake because General Athit is not authorized to transfer the officers. Maj Gen Mongkhon Amphonphisit is no longer attached to the Army, but to the Office of the Defense Ministry Permanent Secretary."

He added: "There are plenty of signatures of General Athit and myself available in official documents. The people forging official documents can take those signatures out from the official documents and paste them to the forged ones for reproduction." He also pointed out that the forged order has the "highly confidential" sign only on top of the paper, whereas an official order has the sign both at the top and bottom of the paper. There is also no signature of the chief of the unit at which the paper was issued. Maj Gen Narudon said that General Athit is not authorized to transfer the three officers as they are not under his direct command.

There was a report from Government House saying that misunderstanding spread out among the different groups of aides of the prime minister following the distribution of the leaflets attacking his aide, Maj Gen Mongkhon Amphonphisit. The source said the first leaflet attacked Maj Bunsup Khotcharat over allowances for soldiers assigned for security protection for the prime minister at his Sisao residence. The second, third, fourth, and fifth [as published] leaflets followed, the latest one a forged Army transfer order. The source said the leaflets attacking Maj Gen Mongkhon, Maj Bunsup, and Maj Mongkhon originated from a misunderstanding of those working together.

CSO: 4207/259

THAILAND

THAI RAT LOOKS AT NEW MOVES ON CAMBODIA

BK221113 Bangkok THAI RAT in Thai 19 Jul 85 p 3

[Editorial: "Hanoi's Next Step"]

[Text] Two diplomatic moves were launched during the past few days to oppose the Vietnamese military occupation of Cambodia. The first was at the ASEAN foreign ministers' meeting which proposed indirect talks to bring an end to the Cambodian conflict.

A few days later, the Khmer Rouge, the major faction in the Cambodian tripartite coalition government, announced its willingness to exclude itself from a future government in Cambodia if the results of an election showed that it was not acceptable to the Cambodian people and if Vietnam withdraws its 150,000 to 170,000 troops from Cambodia.

The Khmer Rouge's latest proposal can be interpreted in different ways. First, the Beijing-supported Khmer Rouge might be forced by China to do something to react to Hanoi's consistent claim that the Khmer Rouge is the major obstacle to a settlement of the Cambodian problem. Vietnamese Foreign Minister Nguyen Co Thach has even declared that Vietnam would withdraw its troops from Cambodia if Khmer Rouge leader Pol Pot is eliminated from that country.

Second, the Khmer Rouge's proposal can also be viewed as a diplomatic offensive to muster support for the resolution adopted by the ASEAN foreign ministers and to prove to the world that Vietnam is insincere in settling the Cambodian conflict through peaceful means should Hanoi reject the two proposals set forth by ASEAN and the Khmer Rouge.

Hanoi rejected the proposal by ASEAN even before its official presentation saying that it does not reflect the real opinion of "some member countries" in the association. The Khmer Rouge's offer was also turned down by Vietnam, saying that it was the proposal of "murderers...not worth consideration."

The rejection of the two proposals which are aimed at bringing peace to Cambodia through political and diplomatic efforts has once again proved that Vietnam is insincere about settling the conflict through peaceful means, as Hanoi leaders always claim to want to do. The Vietnamese leadership has repeatedly declared that the situation in Cambodia is irreversible. Hanoi intends to use force to solve the problem.

Hanoi will certainly not stand idle as it is being condemned for its insincerity in this regard. It will do something at least to cause divisions within ASEAN. For example, Nguyen Co Thach will visit Indonesia later this month.

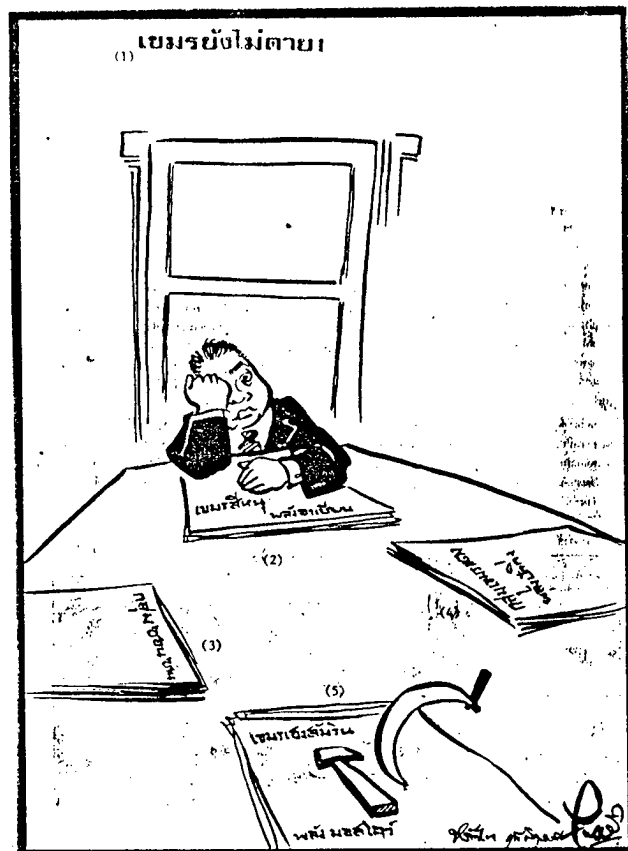
CSO: 4207/259

THAILAND

CARTOON LAMPOONS CAMBODIAN FACTIONS

Bangkok LAK THAI in Thai 27 Jun 85 p 10

[Cartoon]



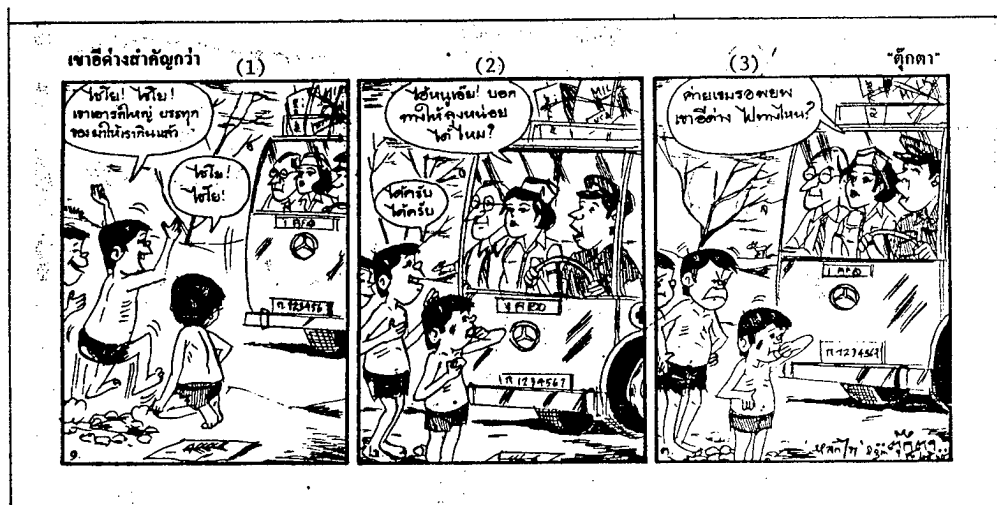
- Key:
- (1) Cambodia isn't dead yet!
 - (2) Sihanouk group: ASEAN power
 - (3) Son Sann group
 - (4) Khmer Rouge: Beijing power
 - (5) Heng Samrin group: Moscow power

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CSO: 4207/241

Bangkok LAK THAI in Thai 27 Jun 85 p 9

["Doll" Cartoon: "Khao I Dang Is More Important"]



Key:

- (1) Hooray! Hooray! They are using a big truck to bring food to us. Hooray! Hooray!
- (2) Can you give me directions?
Yes, I can.
- (3) Which way is it to the Khao I Dang refugee camp?

CSO: 4207/241

THAILAND

DAILY URGES TRADE WITH INDOCHINESE COUNTRIES

BK181134 Bangkok MATICHON in Thai 17 Jul 85 p 4

[Editorial: "Trade With Neighboring Countries"]

[Text] Sano Unakun, secretary general of the National Economic and Social Development Council, expressed concern over the economic outlook of the country in the 2d half of this year. His feeling was shared by Sathaphon Chinachit, manager for research and planning of the Thai Commercial Bank, and Niphat Phukkanasut, deputy director of the Economic and Financial Office of the Finance Ministry, who also anticipated a slump and a worsening economic situation, especially in the area of foreign trade, during the period.

What can be anticipated from the economic stagnation is the glut of agricultural products in world markets and the drastic price cuts. Exports of industrial goods, both from industrialized countries or semi-industrialized developing countries, have already faced trade protectionism, restriction, and tariff barriers.

For an agricultural country in the process of becoming a semi-industrialized country like Thailand, what is sad is also the problem of declining value of the U.S. dollar. With the United States suffering from financial deficits, it is natural the country would try hard to earn as much income as possible. Economists therefore believe that, while restricting industrial imports from other countries through imposition of miscellaneous regulations, the United States would also plan to dump agricultural products, including rice and corn, to world markets in an unprecedented amount. This reflects the state of a millionaire short of money.

For an agricultural country on transition toward becoming a semi-industrialized country like Thailand, what is very necessary for it is to adjust its trade policy and look for new markets. It should not overlook markets in neighboring countries like Burma, Laos, Cambodia, and Vietnam. We have been adopting a foreign policy based on consistency in our political, military, and trade conducts. We rejected trade with those countries on security grounds, banning trade in strategic items with them. In fact, this has created a gap for black marketeering resulting in a great

loss to our country. While Thailand is adopting a consistent political, military, and economic policy, other members in the ASEAN bloc took advantage of the situation in trading with Thailand's neighbors. Faced with a worsening world economic outlook, do we have justification now to separate politics from our economic policy? At least that would enable us to expand markets for our products in neighboring countries. It will also serve us as a bargaining power in future political exchanges, otherwise we would always stand to lose to other countries.

CSO: 4207/259

THAILAND

FOREIGN MINISTRY TO HAVE GREATER TRADE ROLE

Bangkok NAEO NA in Thai 23 Jun 85 pp 1, 14

[Article: Foreign Ministry Gives More Attention to Trade"]

[Text] Sublieutenant Praphat Limpaphan, the deputy minister of foreign affairs, said that the Ministry of Foreign Affairs is trying to play a role in foreign trade affairs since the government's policy is to have the ministry find a way to expand and protect [Thai] trade markets and get foreigners to invest and travel in Thailand. It is also trying to expand foreign labor markets and protect [Thai] laborers abroad. The Ministry of Foreign Affairs has done several things based on the government's policy.

The deputy minister of foreign affairs said that at present, Thai embassies abroad are holding meetings with the units concerned in order to discuss making a concerted effort, which will give greater weight to the negotiations with other countries. This is different from in the past when each unit did things separately. And because of that, the results were usually disjointed. At the same time, the Ministry of Foreign Affairs now meets with businessmen from all trade sectors every Wednesday.

The purpose of this is to discuss the problems, from production to exports, in order to have data to solve the problems and, in particular, find ways to negotiate with our trading partners in the name of the Thai government. From such discussions, the ministry has learned about the boneless chicken problem, the problem of Sri Lanka blocking uncut gemstones and the problems involving automobile parts and cassava pellets.

Twice a month, Ministry of Foreign Affairs officials meet with officials from the other ministries concerned in order to discuss the world, regional and domestic economic situation.

As for investments, the Ministry of Foreign Affairs has invited experts to come talk about the investment situation. In particular, the eastern seaboard development project needs foreign investors so that the Ministry of Foreign Affairs can decide which countries and which foreign companies have the expertise and capabilities to invest jointly with Thailand.

However, at present, the Ministry of Foreign Affairs is studying ways to serve as an arbitrator. It has invited legal experts to discuss this matter.

Besides this, the ministry is trying to sign investment guarantee contracts. Countries that have already signed contracts include England, West Germany, the Netherlands, Canada and China. The purpose is to give foreign investors who carry on business activities in Thailand the same rights as Thais and to give trade guarantees.

As for a reciprocal trade, or counter-trade, role, the deputy minister of foreign affairs said that last year, about 10 countries proposed such trade. The Ministry of Foreign Affairs brought up this matter at a cabinet meeting and established a committee to consider the matter since there are both advantages and disadvantages to "counter trade."

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CSO: 4207/241

THAILAND

CONSTRUCTION TIES WITH LIBYA, PAYMENT TERMS NOTED

Bangkok NAEON in Thai 27 Jun 85 pp 1, 10, 12

[Article: "Thai Contractors Prosper, Accept Jobs Worth Millions In Libya"]

[Text] Thais are prospering abroad. They have won bids to build various projects in Libya worth millions. All of these construction projects will use Thai labor. The problem is that we do not have diplomatic relations [with Libya]. Labor insurance has to be provided through third-country banks. Construction will be carried on continuously. Libya plans to pay in oil since it has stipulated that only 60 percent of the money can be taken out of the country.

At 1000 hours on 26 June at the Office of the Board to Promote Thai Business Abroad, Government House, the Public Relations Subcommittee of the Center to Promote Thai Business Abroad held a meeting that was chaired by Dr Sarit Lantimetnidon. After the meeting, Dr Sarit talked with reporters about the Siam Gruf Company, which is a Thai construction company, winning the bid to build chicken farms in Libya at a cost of 1.4 billion baht. This is a 2-year project. This construction project will employ over 1,000 Thai laborers. Laborers will be paid at least 8,000 baht. Construction engineers will receive 15,000 baht. This is a good sign for Thai laborers abroad.

Mr Bunchun Chomphumang, the manager of the United Construction Company (UCON), told reporters that the Siam Gruf Company is a joint company composed of UCON and the Siam Interland Company. It is engaged in building construction projects abroad. The Siam Gruf Company will build chicken farms in 42 provinces in Libya. Also, the UCON Company won a Ministry of Housing contract with a bid of 160 million baht. It will build a concrete fence around the Libyan airport for 150 million baht. And it will build housing for the Petroleum Authority of Libya at a cost of 400 million baht. Libya will allow Thai laborers to build these projects because it trusts Thais.

Mr Bunchun said that at present, Thailand does not have diplomatic relations with Libya. Labor guarantees have to be handled through third-country banks. However, Libya intends to pay labor costs in oil. This is welcome news. Because at present, Libya has stipulated that people can take only 60 percent of the money out of the country.

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THAILAND

THOETPHUM CHAIDI: LABOR BEHOLDEN TO 'THEORETICIANS'

Bangkok CHAT ATHIPATAI in Thai 21-27 Jun 85 pp 31-34

[Interview with Thoetphum Chaidi: "Laborers Must Remove the Yoke of Two Theoreticians"]

[Text] [Question] What is the state of the labor movement?

[Answer] Looking at things on the inside, there is a struggle between various leaders and various labor organizations. I think that it is an ideological struggle. I have had a chance to meet with various labor leaders. They all have the same goal, which is to unify the laborers. But their ideas and methods are different, and this is expressed in the form of a struggle and conflict. However, I feel that an ideological struggle is normal. Because there is a struggle, many people think that the laborers are divided and that this has weakened the laborers. But this will actually strengthen them since they will know what is right and what is wrong and which organization will lead.

Amidst this ideological struggle, financiers and government officials are trying to use this opportunity to destroy the labor movement. Rumors of splits among the laborers are being spread by financiers and government officials, who want to divide and destroy the laborers. Certainly, there are some groups and organizations for which profits are paramount. But they won't survive very long since they do not serve the laborers.

Another thing is outside ideals that reach the laborers. An example is the thinking of Mr Prasoet Sapsunthon, who is trying to force his ideas on laborers by constantly putting a political ideology in the forefront. He advocates democratic revolution. But in some cases, this overlooks the ideological base of the laborers, who are struggling for survival. This is something else that the laborers must consider and that has caused splits. But this is just a temporary phenomenon. This will prove to be an erroneous idea, and it will be rejected by the laborers. Even leaders who once accepted the ideas

of Mr Prasoet Sapsunthon have now rejected his ideas since his ideas have little to do with the laborers. However, most laborers have not rejected politics. Certain elements of the struggle must go hand in hand.

Another idea that has entered the labor movement is "opportunism." Some theoreticians have used the conflict among the laborers for their own interests, and this has heightened the conflict among the laborers. These two ideas have been put forth by old members of the Communist Party of Thailand (CPT) who are now competing with government officials.

[Question] Which labor leaders have split away from Prasoet Sapsunthon and why did they do so?

[Answer] Those who have split away include Amat Khamthetthong and Sawatdi Lukdot. These men were ideological disciples of Mr Prasoet and worked with him for a long time. These two men used the ideas of Mr Prasoet in the labor movement. They thought that his ideas were correct. But after carrying on activities, they realized that he was wrong and that his ideas were harming the labor movement and that they were leading to a dead end. That was why they split away.

[Question] What theory will be used to provide guidance?

[Answer] I think that the laborers, who are waging a struggle, will summarize the various lessons. This will build fighters and leaders, and there will be theoreticians who will stand on the side of the laborers. That is, they will provide knowledge and guidance. They must really have the interests of the laborers at heart. The two old theoreticians are not free enough and are still dependent on the situation. For example, Mr Prasoet sometimes advises the laborers to oppose Gen Athit Kamlangek and support the Prem government. Sometimes, supporting the Prem government and opposing Gen Athit is wrong. The laborers don't know what to do. Another theoretician does the same thing. During the period of struggle and development, if there are incorrect ideas, the laborers won't know what to do. New theoreticians will not be able to play a part because of the resistance of these two theoreticians. New ideas will not have a chance to circulate. But I think that very soon, new and correct ideas will replace the incorrect ideas.

[Question] What is your view of the National Labor Council?

[Answer] The National Labor council, or Fifth Council, was not established at the request of the laborers. Rather, it was established by theoreticians who hold wrong views. They want to use this council to carry on political activities. They have not considered the real interests of the laborers.

Actually, the laborers joined together with the intention of building a large labor organization. They did not know whose theory was behind this or who desired this. The laborers thought that the Fifth Council would be the spearhead in the struggle of the laborers. But actually, it was not established to serve as the spearhead.

[Question] Would you give us some background on this before the establishment of the Fifth Council?

[Answer] The four previous councils were not able to control things. In particular, Mr Amat and Mr Sawatdi began to reject the ideas of this theoretician. Both high and low-echelon laborers began opposing Mr Sawatdi and Mr Amat, and there was an ideological struggle. Thus, these people began pulling away from Sawatdi and Amat. They had always supported these ideas. But after rejecting them, they had to find someone to replace them and establish an alternate organization. But it was established based on a lie and was not based on the truth. It was established out of weakness and will be dissolved in the end.

[Question] At present, it is known that the laborers are weak and are not a real force. What can be done to solve this problem?

[Answer] 1. A labor organization that is really independent must be established. The word "independent" does not mean that it can't have relations with other organizations or movements. It could have relations with certain political parties if it was felt that that would be beneficial and strengthen the organization in the existing situation. It could have relations with other movements if it was felt that the organization would benefit.

2. The organization must have independent and experienced "activists" who have knowledge about labor matters. They must train people and analyze the situation for the laborers. The laborers work in the factories and do not have a chance to keep up with the ever-changing situation. The laborers have to rely on these people because they understand the political situation and can set a path for the laborers so that they do not become the tool of anyone.

3. The labor organization must rely on experts who love justice and who will serve the laborers. The experts have data on the political and economic changes. Waging a struggle requires having data. A movement that does not have data will not expand. This will cause outsiders to think that the laborers are acting [without] reason. At present, I feel that most labor leaders have rejected the experts. They don't know how to make good use of the experts. That is what I think should be done to improve the labor movement in the present situation.

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CSO: 4207/241

THAILAND

MECHANICS OF CHAMOY FUND COLLAPSE DESCRIBED

Bangkok DAO SIAM in Thai 30 Jun 85 pp 1, 3, 16, 2

[Article: "Chamoy Gives Up, Reveals Identity of Supporters, Asks For Sympathy and Quickly Contacts the Police"]

[Excerpt] Mae Chamoy fell because the amount of money was so great. Everyone wanted to get involved after the trusts went bankrupt since the rate of interest was so high. The amount of money invested in the Mae Chamoy share fund reached 2.2 billion baht. Mae Chamoy began to realize that there would be problems in paying people who had invested in this oil share fund if she could not find others to invest. Thus, she asked senior people to serve on the "board" and formed a committee to control this money. She no longer operated the fund by herself as in the past. And because she wanted the "tail" to be as long as possible so that the "head" could continue to "eat," she sent agents to the provinces to persuade farmers to invest in the share fund. This was the start of the share fund crisis. This share fund, which was started in 1974, began by "trading in oil." "Senior people" told her to keep calm and that they intended to stay in the fund. Mae Chamoy wanted to stop last year because she thought that she could solve the problem by investing the money abroad. It was revealed that before she was arrested, she purchased diamonds valued at approximately 400 million. No one knows who has these diamonds. Mae Chamoy certainly doesn't have them.

Now, Mae Chamoy Thipso has been arrested by the Suppression Division on charges of defrauding people. From the disclosures made by a "share agent" who was very close to Mae Chamoy, it has been learned that this share fund really did start out as an oil share fund. Oil notes were bought and traded during the oil crisis of 1974. At that time, there was a severe oil shortage. Mae Chamoy, who worked for the "Sam Thahan," which later became the Petroleum Authority of Thailand, was able to obtain oil and sell it. She made a huge profit from each truckload of oil. People who invested money in the share fund knew that they were investing in an oil share fund. Later on, when people stopped investing in oil and the oil situation improved, the share fund continued to operate smoothly by investing in land and in a large trust company. Also, money was loaned to an "immortal" gambler

at a very high rate of interest. Several large casinos that had once prospered each borrowed several million baht. In this, "special services" were provided. Bids were also tendered for trading in military weapons. But this did not achieve much. Our news source, who was an agent of Mae Chamoy, said that this weapons trading affair was unbelievable. It was known that Mae Chamoy was on very good terms with powerful people and could see them at any time. But this venture failed because Mae Chamoy was very stingy and refused to spend money to "pave the way." And weapons trading is an activity that requires large payments. But Mae Chamoy did not dare do this. And so all she did was send war materials that could be obtained domestically. As for the reports that she was involved in trading with Cambodia and the Karens along the border, our news source said that "that is not true. She never traded with those people."

Huge sums of money poured into the Mae Chamoy fund during the trust crisis. When the trusts failed, many of those who had withdrawn their money from the trusts invested it in the Mae Chamoy fund. The money invested in the share fund reached a peak in April 1975, with approximately 2.2 billion invested. Prior to that, investments had never exceeded 900 million. At that time, Mae Chamoy operated the share fund by herself. She had only eight office workers to do the accounting for her. Most of these were relatives who came from Singburi. At that time, the Ministry of Communications had launched a major project, that is, the construction of four suburban storage sites for goods. Mae Chamoy made preparations to invest in this. She invested jointly with investors from Saudi Arabia. But this project encountered problems, and investments were halted. "This project required an investment of approximately 1 billion baht," said the news source.

When so much money started flowing into the fund, Mae Chamoy realized that she could not manage everything by herself or get everything done on time. She wanted things to be done systematically and did not want to manage all the money by herself. Thus, she asked senior people to form a "board of directors." The board was composed of seven people. Mae Chamoy was a board member and served as the secretary of the board. One senior person was made chairman. "All of those asked to join the board were senior people in the country. You can probably guess who they were without my giving you their names. Of the seven board members, Mae Chamoy was the only civilian."

When the oil trading activities reached a saturation point, investments in various activities failed to make profits and several of the large casinos that used revolving capital of millions of baht each day, with the gamblers charged a high rate of interest for the money loaned to them, had to "close" or reduce the size of their operation, problems arose in paying share fund investors. She had to use the money invested by new shareholders to pay the interest owed the old shareholders. And to do this she continually had to seek new investors. The share fund became a pyramid scheme and did not invest in any trading activity.

That was the start of the vicious circle. The "tail" continually had to be lengthened to "feed the head." The number of investors declined. But more than 2 billion baht had already been invested and so she had to send agents to seek out wealthy people in the provinces and expand the share fund into the provinces. Her first targets were the mill owners. She then turned to wealthy farmers. There was great "excitement" in the provinces as people tried to raise money to invest in the share fund and earn a high rate of interest. And the interest was paid every month. In some provinces, people sold their land to invest in the share fund since they could earn more this way than working the fields.

When the government looked into this matter and realized that the share fund would eventually collapse and that the "tail" would eventually have to be cut off, it drafted the Act on Loans That Defraud the Public. "At that time, Mae Chamoy wanted to stop and return the money since she realized that this could not continue. And she was beginning to have problems in paying the interest. She was also afraid of going to jail. But senior people told her to remain calm. They said that the act would be overturned in parliament and would not go into effect. And so they continued with this until parliament convened and the act was passed. That was when Mae Chamoy really became discouraged and realized that the senior people could not help her or protect her. "She had to lie low for awhile. At first, she hid at the home of a senior person near the Lat Phrao junction. After that, she went to stay with a senior person at Don Muang. Later on, before appearing at Don Muang, when she met with 1,000 agents at the gym, she stayed in Lopburi. But she did not stay in the city. She stayed in a rural district," said the news source.

"It's true that some agents were given money but did not return the money to the investors. But not all the agents did that. Most of the people have not been repaid. As for how much of the money is left, only the board members know the answer to that question. No one knows which people are guilty of fraud or whether senior people have taken all the money. The only thing that we know is that at the beginning of June, Chamoy purchased diamonds from various places in Bangkok. The owners of the jewelry shops knew that Chamoy was purchasing diamonds. She paid approximately 400 million baht in cash. She left these diamonds in the care of a senior person. She doesn't have them. I don't know whether she will ever get them back."

At the Suppression Division on the morning of 29 June 1985, in his capacity as the chairman of the investigation committee based on the Act on Loans That Defraud the Public, Lt Gen Chamrat Chantharakhachon, the assistant director-general of the Police Department, answered reporters' questions. He said that "a meeting will be held today in order to gather as much evidence as possible and strengthen the case [against Mae Chamoy]. Because at present, we still have very little evidence." A reporter asked whether the 136 people who have come forward have provided evidence of violations of the Loan Act.

The assistant director-general of the Police Department said that "at yesterday's committee meeting, the police were authorized to file charges based on this act since more than 11 people were involved and the amount invested exceeded 5 million baht. Today, we will try to determine which shareholders invested money prior to the promulgation of the act and which ones did so after the act was promulgated. As for whether people have violated the Credit Foncier Act, we have to look at the evidence provided by people." A reporter asked whether people involved in the Mae Nokkhaeo share fund would be arrested. Police Lt Gen Chamrat said that the police have issued a warrant for [her] arrest on a [bad] check charge. But to date, not enough people have provided information to file charges based on the share act. He would like to urge more people to come forward and testify so that arrests can be made. The bad check case is a personal case that can be settled by the parties involved. This is different from violations of the share act.

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CSO: 4207/247

14 August 1985

THAILAND

BRIEFS

PREM TO VISIT PHILIPPINES, U.S., ROMANIA--Lieutenant General Chantharakhup Sirisut, secretary to the prime minister, told newsmen that Prime Minister General Prem Tinsulanon will visit the Philippines at the end of July or the beginning of August to receive a honorary doctorate of law from the University of the Philippines and to hold talks with President Marcos. On about 24 or 25 September, the prime minister will go to the United States and take part in the celebration on the 40th founding anniversary of the United Nations. During his journey, the premier will make a stop-over in Tokyo before proceeding to Hawaii, Los Angeles, San Francisco, New York, and Washington. He will deliver a speech at UN Headquarters in New York. After that he will visit Romania, and then take a flight from France back to Thailand. Lt Gen Chantharakhup said that the premier's trip is expected to last less than 20 days. [Text] [Bangkok THAI RAT in Thai 23 Jul 85 pp 2-3]

GOVERNMENT REVENUE, EXPENDITURE--The director general of the Fiscal Policy Office reported that the government's income during the first 9 months of this fiscal year, from October 1984 to June this year, amounted to 144,989,100,000 baht while the expenditure reached 122,332,300,000 baht. Thus, the government had a budget surplus of 22,656,800,000 baht. The total income comprised 116,800,700,000 baht in revenue and 28,188,400,000 in loans. Of the total expenditure, 114,601,400,000 baht was used for government administration and 7,730,900,000 baht for debt serving. [Summary] [Bangkok Domestic Service in Thai 0000 GMT 19 Jul 85]

CSO: 4207/260

14 August 1985

TONGA

BRIEFS

SECURITY TALKS--Tonga government officials have had discussions with New Zealand government officials on political and security issues affecting both countries. Mr Sione Kite, acting Chief Secretary and Secretary to Cabinet, Mr George 'Aho, Secretary of Foreign Affairs, and Major Fetu'utolu Tupou, Commander of the Tonga Defence Services, were the Tonga team. The NZ team was Mr H. H. Francis, Deputy Secretary of Foreign Affairs, and Brigadier K. M. Gordon, Deputy Chief of Defence staff. The NZ team will have discussions with other governments in the region. [Text] [Sydney THE SOUTH SEA DIGEST in English 28 Jun 85 p 1]

AIR STRIP UPGRADING--Tonga's five outer-islands airstrips, in Haapai, Vavau, 'Eua, Niuatoputapu and Niuafoou, are being surveyed for possible extension and upgrading. Mr Philip Norton, a New Zealand airport surveyor, led the team of assessors. [Text] [Sydney THE SOUTH SEA DIGEST in English 28 Jun 85 p 3]

AIRLINE DESIGNATION--King Taufa'ahau Tupou IV of Tonga has approved registration of the kingdom's new airline to be known as Friendly Island Airways Ltd. The name, the Friendly Islands, was bestowed on the Haapai Group by Captain James Cook in 1777. Baron Vaea of Houma, the Minister of Labour, Commerce and Industries, is the chairman. [Text] [Sydney THE SOUTH SEA DIGEST in English 28 Jun 85 p 3]

RELATIONS WITH CHILE--Tonga has established diplomatic relations with Chile. Chilean Ambassador Mr D. Camus Camus has presented his letters of credence to King Taufa'ahau Tupou IV. [Text] [Sydney THE SOUTH SEA DIGEST in English 28 Jun 85 p 3]

CSO: 4200/1267

WESTERN SAMOA

COALITION MOVES AGAINST GOVERNMENT

Apia THE SAMOA TIMES in English 5 Jul 85 p 1

[Text] His Highness the Head of State, Malietoa Tanumafili II, last night received notice from the new coalition of members of Former Prime Minister "Vaai's Group" and the Christian Democratic Party (CDP) led by former Prime Minister Tupuola Efi that they intend to support a motion of no confidence in Prime Minister Tofilau Eti and his Cabinet.

A spokesman for the coalition told THE SAMOA TIMES that Vaai and Tupuola personally delivered the notice signed by 28 members of Parliament to His Highness at his residence at Faatoia.

The notice, he said, further informed His Highness that the coalition has confidence in Vaai Kolone to be Prime Minister.

Last night's development is the second step in the coalition's move against the government which was started yesterday afternoon.

Shortly after the adjournment of yesterday's meeting of the House Le Tagaloa Pita handed the Speaker Nonumalo Sofara, the notice of his intention to move a motion of no confidence in the government.

Le Tagaloa said that under the Standing Orders of the House he was required to give at least three days notice of his motion. The Member for Palauli le Falefa said that Vaai was with him when he gave the notice to the Speaker.

According to the Standing Orders "Every notice shall be submitted to Mr Speaker who shall direct that it be printed in its original terms or with such amendment as he shall direct, or that it be returned to the Member submitting it as being inadmissible."

The Standing Orders further provide that every motion must be seconded but the mover may speak on the principle and merits of his motion before formally moving it. However, if it is not then seconded it shall lapse forthwith.

Under the Constitution the Head of State is required to terminate the appointment of the Prime Minister if the Legislative Assembly "passes a motion in

express words of no confidence in Cabinet.." but the Constitution further requires that "if after the passing of such motion the Prime Minister so requests, the Head of State may dissolve the Legislative Assembly instead of terminating the appointment of the Prime Minister."

However, under Article 63 the Head of State is not obliged to accept the advice of the Prime Minister to dissolve Parliament "unless he is satisfied, acting in his discretion that in tendering that advice, the Prime Minister commands the confidence of the majority of Members of Parliament."

In the light of that provision last night's move by the coalition appears to be an attempt to convince His Highness that if Le Tagaloa's motion is allowed to go through and be passed then he would not be under obligation to call new elections.

Precedents for not dissolving Parliament when a Prime Minister loses power already exist. In 1982 Vaai lost his post because of a court ruling His Highness appointed Tupuola Efi to succeed him instead of calling for fresh elections. And when Tupuola, in turn, lost power because the House rejected his budget His Highness appointed Tofilau Efi as Prime Minister.

To convince His Highness that Tofilau commanded the confidence of the majority of members at that time the HRPP used exactly the same method now used by the coalition of Vaai's supporters and the CDP members--they presented a petition signed by a majority of the MPs.

Even though last night's and yesterday's events have not been unexpected the numbers now reported to be in opposition to the government came as a surprise.

In fact, according to the coalition spokesman, at least three other MPs are expected to add their names to the list should the submitted motion by Le Tagaloa ever be put to the vote.

THE SAMOA TIMES was not able to get a reaction from the government at press time.

CSO: 4200/1282

WESTERN SAMOA

NEW LEADER CHALLENGED

Port Moresby PAPUA NEW GUINEA POST COURIER in English 8 Jul 85 p 8

[Text]

APIA: After only six months in Government, Western Samoa's Human Rights Protection Party, under the leadership of Tofilau Eti Alesana, faces a motion of no confidence.

Last night, a notice from a new coalition of 28 members, made up of former prime minister Va'ai Kolone's Government and the Christian Democratic Party, led by the last prime minister Tupuola Efi, was delivered to the Head of State, Malietoa Tanumafili II.

No reason for the no-confidence motion has been given.

The motion backs Kolone as the new Prime Minister.

It will be moved on Monday and, under the standing orders of the House, three days will be given before the motion is tabled on Thursday.

Prime Minister Tofilau Eti said he was surprised that once-opposing members of Parliament, Va'ai and

Efi, had formed a coalition.

Eti said the move would give him a chance to strengthen the Government and ask the Head of State to dissolve parliament and call a general election.

Eti was confident he had the country's support and his previous 31-seat majority.

Eti was re-elected unopposed on March 19 this year at the ninth meeting of the Legislative Assembly.

It was only the second time in Western Samoa's history that a prime minister was elected unopposed.

Va'ai was one of the founders of the present government.

He became prime minister in 1982, but after only ten months he lost the leadership under a court ruling.

Efi was then appointed to take his place but shortly after lost office when his budget was rejected by the House.

CSO: 4200/1270

WESTERN SAMOA

ECONOMY FRAGILE DESPITE LOW INFLATION

Auckland NEW ZEALAND HERALD in English 14 Jun 85 p 9

[Text] The annual inflation rate in Western Samoa for the 12 months ended April, was at a record low of 9.2 per cent.

This marks a steady decrease from October last year, when the figure was nearer 15 per cent.

However, in spite of this improvement, Western Samoa's economy is still very fragile, hinging on the price of copra in the world market.

Last year's prices were high and foreign reserves are now at an all-time record of 30 million tala.

One-third of this money is said to come from copra, one-third from overseas family remittances and one-third from aid.

In 1983, total export earnings were 27.5 million tala, with coconut oil making up 41.07 per cent of this figure.

In 1984, total export earnings were 27.5 million tala, with coconut oil making up 41.07 per cent of this figure.

In 1984, earnings rose to 36.8 million tala, and coconut oil figures rose to 57.89 per cent of this figure.

Last year, imports totalled 93 million tala, with exports at only 36 million tala.

The Government, the Human Rights Protection Party, led for the past two and a half years by Tofilau Eti Alesana, has maintained a tight monetary policy.

A central bank has been established, the tala devalued by almost 30 percent, and the fixed link between the tala and the New Zealand dollar has been discontinued.

Interest rates on bank loans have been reduced by 2 per cent across the board to 15 per cent, and the maximum lending rate has dropped to 18 per cent.

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

DK ENVOY ADDRESSES ECOSOC FOOD MEETING IN GENEVA

BK221157 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
21 Jul 85

[Text] (Ngo Haktiem), Democratic Kampuchea's permanent representative in Geneva, attended the first committee's second session of the UN Economic and Social Council [ECOSOC] held in Geneva on 11 July to discuss the food problem. After expressing the deep sympathy of the CGDK for the plight of the people in Africa affected by famine, drought, and dislocation, Ambassador (Ngo Haktiem) talked about the food shortage in Cambodia. He stated that Cambodia, once a major exporter of farm produce, now sees all of these resources being looted and destroyed by the Vietnamese aggressors who have been using famine as a weapon to exterminate the Cambodian race in an attempt to eliminate the Cambodian people's resistance. He went on to say that the cause of the current food shortage comes from the escalation by the Vietnamese of their war of aggression, as they prepare to launch offensives in the upcoming dry season and forcibly relocate Cambodian people from eastern, southern, and central Cambodia to the mountainous regions of western Cambodia. The Vietnamese aggressors force the people to clear brush along their transportation routes and to dig trenches for them. These Cambodians cannot return to their villages to grow rice, particularly during the rainy season when there is water for planting, because of the great distance between the sites of forced labor and their ricefields. For this reason, Cambodia will certainly suffer from a more acute food shortage in the coming year.

He went on to state that the number of Cambodians forced to work for the Vietnamese aggressors amounts to several hundred thousand. Of this number, tens of thousands have contracted malaria and been sent to Phnom Penh. These estimates have been confirmed by international humanitarian aid officials. (Ngo Haktiem) also described other crimes committed by the Vietnamese aggressors in an attempt to drive as many Cambodians as possible out of their villages so that they may be replaced by Vietnamese settlers.

In conclusion, he stated that only by having the Vietnamese aggressors withdraw all their troops from Cambodia can the Cambodian people escape the danger of famine and resume agricultural production to alleviate the food shortage in Cambodia.

CSO: 4212/92

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VONADK, VODK BATTLE REPORT FOR 19-25 JUL

BK260824 [Editorial Report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian [VONADK] broadcasts the following battle reports, which are repeated by (Clandestine) Voice of Democratic Kampuchea [VODK] in Cambodia, during the reporting period 19-25 July:

In its 2315 GMT cast on 19 July, VONADK reports that DK forces cut 480 meters of railroad track on Moung-Pursat battlefield on 12, 15, and 17 July; ambushed a Vietnamese battalion on Moung-Pursat battlefield on 14 July; attacked a Vietnamese company position on East Kompong Cham battlefield on 8 July; ambushed a Vietnamese platoon on Kratie battlefield on 13 July; and conducted various activities against the Vietnamese aggressors on Leach, Kompong Cham, Kompong Chhnang, Moung-Pursat, South Sisophon, Samlot, and Kompong Speu battlefields from 30 June to 17 July, killing or wounding 100 Vietnamese soldiers, destroying 10 guns, 1 truck, and a quantity of war materiel, cutting a total of 480 meters of railroad track, and liberating 1 Vietnamese company position on Kompong Cham battlefield.

VONADK at 2315 GMT on 20 July reports that DK forces attacked a commune office in Thpong District on Kompong Speu battlefield on 16 July and conducted other activities against Vietnamese soldiers on Pailin, North Sisophon, Leach, Kompong Thom, Koh Kong-Kompong Som, Kampot, and Battambang battlefields from 10 to 18 July, killing or wounding 122 Vietnamese soldiers, destroying 26 assorted guns, 1 commune office, 10 barracks, 1 water pump, and some war materiel, seizing 14 guns and some ammunition and war materiel; and liberating 10 villages on Kompong Speu battlefield.

VONADK reports in its 2315 cast on 21 July that DK forces attacked Chrey commune office and liberated 7 villages on East Battambang battlefield on 15 July; attacked Boeng Khna commune office on Pursat battlefield on 16 July; ambushed a Vietnamese battalion on Pailin battlefield on 18 July; attacked a Vietnamese platoon position on Kompong Chhnang battlefield on 13 July; and conducted other activities against the Vietnamese soldiers on Kompong Chhnang, Kampot, and Chhep battlefields, killing or wounding 47 Vietnamese soldiers, destroying 15 weapons, 2 commune offices, 1 house, 1 rice milling machine, and some war materiel, seizing some weapons, ammunition, and war materiel, and liberating 7 villages on East Battambang battlefield.

According to VONADK at 2315 GMT on 22 July, DK forces attacked a Vietnamese platoon in Chikreng District on Siem Reap battlefield on 1 July; ambushed and set ablaze 2 trucks on Siem Reap battlefield on 18 July; and conducted other activities against Vietnamese soldiers on Koh Kong Leu, Pailin, Kompong Thom, South Sisophon, Leach, and Siem Reap battlefields from 16 to 21 July, killing or wounding 83 Vietnamese soldiers, destroying 4 weapons, 2 trucks, and some war materiel, and seizing some weapons, ammunition, and war materiel.

VONADK at 2315 GMT on 24 July reports that from 16 to 21 July, DK forces on Pailin, Kompong Cham, Leach, Kampot, Takeo and Kompong Thom battlefields killed or wounded 122 Vietnamese soldiers; destroyed 1 truck and some guns, ammunitions, and war materiel.

VONADK at 2315 GMT on 25 July reports that DK forces attacked Krakor District office on 20 July; cut 160 meters of railroad track between Totoeng Thngai and Stoeng Dach on 22 July; attacked Kompong Preah commune office on south Battambang battlefield on 18 July; and conducted other activities against Vietnamese soldiers on Kompong Chhnang, Pailin, South Sisophon, MOUNG-Pursat, Kratie, Kompong Thom, Kompong Cham, and Leach battlefields from 2 to 23 July, killing or wounding 156 Vietnamese soldiers, destroying 20 assorted guns, 1 district office, 2 commune office buildings, 3 trucks, 7 military barracks, and a quantity of war materiel; and seizing 10 guns and some ammunition and war materiel.

CSO: 4212/92

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VODK SAYS CGDK STANDS BY POLITICAL SOLUTION

BK210553 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT
20 Jul 85

[Station commentary: "The Stand of the CGDK and the Entire Cambodian People on the Settlement of the Cambodian Problem Is a Political Solution Standing on UN Resolutions"]

[Text] The entire world has clearly realized that the Cambodian problem is caused by the Hanoi Vietnamese who sent hundreds of thousands of troops to attack and annex Cambodia in flagrant and gross violation of the UN Charter and the principles of the Nonaligned Movement and international law.

The war of aggression of the Hanoi Vietnamese enemy aggressors in Cambodia in the past nearly 7 years has killed 2.5 million innocent Cambodians. Millions of other Cambodians live in great suffering. They have been separated from their parents, brothers, sisters, husbands, wives, and children. They are starving under the brutal and savage oppression by the Vietnamese enemy aggressors. Vietnam's aggression has made Cambodia miserable. Moreover, this aggression has made the situation in all of Southeast Asia more tense. Vietnamese aggressor troops in Cambodia have violated the Thai border with all their means. This has spread the danger of Vietnam's aggression in Cambodia to Thailand and the whole of Southeast Asia.

In the past 6 years, the UN General Assembly has successively adopted with increasing majorities--110 voices in favor in 1984--resolutions concerning the Cambodian problem calling for a complete Vietnamese aggressor troop withdrawal from Cambodia and self-determination for the Cambodian people through universal and free elections under UN supervision. The overwhelming majority of peace- and justice-loving countries in the world have called on and pressured the Hanoi Vietnamese to respect the UN resolutions to resolve the Cambodian problem through political means. But the Hanoi Vietnamese enemy aggressors are very stubborn; they do not respect and implement the UN resolutions and do not want to withdraw their troops from Cambodia. They are pursuing their aggression and occupation of Cambodia. They continue to massacre the Cambodian people and commit genocide against the Cambodian race.

The stand of the CGDK and the entire Cambodian people is the settlement of the Cambodian problem through political means standing on UN resolutions. Cambodia is a small country with a small population and it does not need to stage any war against any country, especially not neighboring countries. The Cambodian people want to live peacefully with all countries near and far, including Vietnam, so that they will be able to construct their country and raise their standard of living. But facing the aggression and annexation of their country by the Hanoi Vietnamese enemy aggressors and the ferocious brutality of the Vietnamese, the Cambodian people and the National Army of Democratic Kampuchea are forced to wage an armed struggle for the defense of their nation, territory, and race.

The CGDK has the good will and has made every effort to seek all ways to resolve the Cambodian problem through political means by asking the Vietnamese to withdraw all their aggressor troops from Cambodia in accordance with the UN resolutions. When the Vietnamese enemy aggressors are all withdrawn from Cambodia, the Cambodian people will organize universal and free elections under UN supervision. When the Vietnamese enemy aggressors are totally withdrawn from Cambodia, Cambodia, which has suffered a lot from Vietnam's war of aggression, will not claim reparations for war damage from Vietnam. Furthermore, when the Vietnamese enemy aggressors are all withdrawn from Cambodia, the Cambodians are willing to sign a nonaggression agreement with the Vietnamese to live peacefully and respect each other for dozens and even hundreds of years. If the Vietnamese enemy aggressors do not want to respect the UN resolutions and totally and unconditionally withdraw their aggressor troops from Cambodia and if they are stubborn in pursuing their unjust war of aggression in Cambodia, the Cambodian people, the National Army of Democratic Kampuchea, and the CGDK have no other choice than to force themselves to continue their struggle until the Hanoi Vietnamese enemy aggressors agree to settle the Cambodian question through political means by withdrawing all their aggressor forces from Cambodia in conformity with the UN resolutions.

The evolution of the situation of the Cambodian people's struggle has clearly shown that while they are more stubborn in seeking all ways to resolve the Cambodian problem through military means, the Hanoi Vietnamese enemy aggressors are bogged down further on Cambodian battlefields. The longer they delay the withdrawal of their aggressor troops from Cambodia, the more the Vietnamese enemy aggressors are bogged down and worn in Cambodia and Vietnam and the more they are isolated on the international scene.

The Vietnamese cannot enjoy peace and build their country and the Cambodians cannot enjoy peace and construct their nation and country unless the Cambodian problem is resolved through political means standing on UN resolutions based on the complete Vietnamese troop withdrawal from Cambodia. This conforms with the sacred wish of the Cambodian people, the National Army of Democratic Kampuchea, and the CGDK. This is in compliance with justice, the UN Charter, and the principles of the Nonaligned Movement and international law. This is also in accordance with the desire of the overwhelming majority of peace- and justice-loving peoples and countries throughout the world, including the Vietnamese people.

CSO: 4212/92

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

BRIEFS

FLOODS FORCE REFUGEES TO MOVE--Ta Phraya--Heavy rainfalls and subsequent floods inside Kampuchea forces a total of 122 Kampucheans, mostly women and children, to move to a camp here, a Kampuchean resistance force leader told the WORLD yesterday. Mol, a Khmer People's National Liberation Front (KPNLF) leader who commands some 300-strong armed resistance force and some 800 civilians at O Bak Chan camp located about 18 kilometres north of Aranyaprathet, said the latest group of refugees arrived at his camp on Saturday. They came from Svay Rieng and Sisophon of Battambang, he said. He said the refugees arrived on foot and at some points had to take on boats when all main roads were flooded. According to the refugees, they fled the area because of poor cultivation and sickness, particularly malaria and dysentery, he said. However, aid sent by relief agencies to his camp had been suspended since January and that all camp inhabitants had to make a living by themselves, Mol said. He added that he expected more refugees to come into the camp as the monsoon season approaches.
[Text] [Bangkok BANGKOK WORLD in English 15 Jul 85 p 2]

CSO: 4200/1275

MILITARY AFFAIRS AND PUBLIC SECURITY

ARMY NEWSPAPER EDITORIAL CALLS FOR STRONG DISTRICT ORGANS

Hanoi QUAN DOI NHAN DAN in Vietnamese 17 Jun 85 pp 1, 4

[Editorial: "Build Strong District Military Organs"]

[Text] In the enterprise of building districts that are strong economically and strong with regard to national defense, the gradual development of the 400 districts into 400 military bastions plays a very important role. There must be strong district military organs to fulfill the function of serving as staffs for the district party committees and governmental administrations with regard to the military work, while at the same time directly organizing and commanding the district armed forces in combat and in defending and building the locality. The task of organizing and building a corps of cadres plays a decisive role.

It is necessary to, on the basis of the requirements and missions of the local military work and the specific position and characteristics of each district, study and resolve the appropriate organization of mechanically imposing the same organization on all districts, in the south as well as in the north and in the mountain region as well as in the coastal region. The organizational structure of the district military organ must be arranged so that it has sufficient numbers, sectors and trades, combat arms, and ability and thus can fulfill its immediate missions and create many groups of successor cadres over a long period of time. In each organ there must be cadres who have matured in the local military work, cadres who have commanded troop units, and people who are familiar with the combat arms, so that they can support one another. Cadres who matured in the locality, have good quality and ability, and have the confidence of the local party committees, governmental administrations, and people, especially ethnic minority cadres, must be boldly promoted. Localities which still have a shortage of local cadres can assign a number of local main-force cadres who are familiar with the locality to supplement the local cadres, but they must be trained in the local military work before being assigned positions. It is even more important that there be specific plans to form many groups of succeeding managing cadres to create a basis to facilitate the training, cultivation, organization, and use of cadres.

In the cultivation of military cadres the districts must pay special attention to improving their ability to serve as staffs for the local party committees and governmental administrations with regard to military matters, as

manifested in leading and guiding the explaining of national defense viewpoints, lines, and missions; disseminating military knowledge to the party organization and people in the district; leadership and guidance of the building of militia and self-defense forces and local troops; managing the training of reserve forces; calling up youths for peacetime service; mobilizing people and facilities to meet the requirements of wartime; leading, guiding, and commanding the local armed forces in maintaining combat readiness and combat; and contributing to maintaining political security and order and social safety in the locality, while at the same time positively participating in building political bases and developing the local economy. In wartime, guidance and command of the local troops, the militia and self-defense forces, and the entire population in waging local people's war, coordinate with the main-force units, serve combat, supply manpower and materiel to the front, and do a good job of fulfilling the rear services missions.

The contents of district military cadre training must be comprehensive and include political, military, economic, cultural, and professional matters, but it must have selected emphasis, be practical, and be appropriate to the requirements, missions, and ability of the cadres in each locality and unit. Every year the military regions and the provincial military commands are responsible for giving supplementary training to district-level military cadres. That supplementary training must be carried out in many forms, in schools and on the job. Emphasis must be on supplementary training on the job, in actual combat, and in serving combat and work. The upper echelons must supplement the lower echelons and must at the same time supplement one another and themselves.

The sources of managing cadres of the district military organs are battalion-level cadres or local cadres who are capable of long-range development, are capable and have good moral quality, and have received basic training. The task of developing the sources of cadres and the task of building district military organs must be combined closely with the task of building the party and the mass organizations in the localities. By means of emulation movements it is necessary to fulfill the local revolutionary missions in combat, build district military organs that are increasingly strong in all regards, and fulfill all missions assigned by the local party organization and governmental administration.

5616

CSO: 4209/514

MILITARY AFFAIRS AND PUBLIC SECURITY

POEM CRITICIZES CHECK POINT PERSONNEL

Hanoi QUAN DOI NHAN DAN in Vietnamese 11 Jun 85 p 3

[Poem by Ming Le: "Stop It Now"]

[Text]

Stop It Now

At the Viet Tri check point
Military Personnel work very strangely.
They use "inspection" as a means of livelihood,
Collecting money, hats, and scarves
Without reason. Who will help stop them?
Immediately end such "haphazard" inspection.

5616

CSO: 4209/514

INTERNATIONAL RELATIONS, TRADE AND AID

DRAFTING OF VIETNAM'S MARITIME POLICY DISCUSSED

Hanoi TAP CHI HOAT DONG KHOA HOC in Vietnamese May 85 pp 10-13

[Article by Luu Van Loi: "Thoughts on the Maritime Policy in Our Country's Economic and National Defense Strategy"]

[Text] The sea has played an important role in the history of our country. In the coming period, thanks to scientific-technical progress and in accordance with the regulations promulgated by our government on 12 May 1977 regarding our country's signing of the United Nations Convention on the Law of the Sea, the sea will play an increasingly greater role in building and defending the homeland, for Vietnam has territorial waters amounting to about 1 million square kilometers and has the right to exploit the ocean floor in that area and in other seas. Under our present "there is a will but no means" circumstances it is necessary to pose and very essentially resolve the question of a maritime policy in our country's over-all economic-national defense strategy.

The seas have played an increasingly important role in the history of mankind. People of ancient times knew how to obtain salt from seawater and to use the sea for communicating with nearby islands. Later, maritime navigation developed more and more strongly. With the discovery of oil and natural gas in the continental shelf and vast areas with metal ore nodules on the ocean floor, maritime research has been carried more and more strongly and rapidly. The sea also plays a very important role in the military strategies of the developed nations.

The formation and development of nations in history have shown us that some nations with a mainland tendency have ordinarily developed along the seacoasts to the delta of one or many rivers and thus increasingly expanded their living space.

There have also been nations which have been oriented toward the sea, ordinarily peoples on the coast or on islands who increasingly expand their sphere of activity on the sea, build up their merchant fleets, and develop trade with other countries via the sea. Examples include ancient Greece, Carthage (founded by Phoenicians who went to settle in North Africa from Asia Minor), Portugal, Spain, etc.

How much attention have our people paid to the sea?

New elements in drafting a maritime policy.

President Ho and the Party continually reminded us that our country had "golden forests and silver seas," and many stands and policies of our Party and state have manifested that spirit in the drafting and implementing of specific measures regarding the sea.

The resolution of the Fourth Party Congress set forth the common line toward building socialism and the line toward building a socialist economy in the new phase of our country's revolution. With regard to the maritime economy, the resolution deals with many activities, such as catching and raising aquatic products, rapidly strengthening ocean fishing forces, developing salt making, building sea-going ships and fishing boats, developing fleets, etc. When dealing with the zoning of areas for production to develop all areas, the resolution also included "the sea." The Congress also clearly stated that our two most precious resources are labor and land (including forests and the sea). The Fifth Party Congress affirmed the continuation of the line set forth by the Fourth Party Congress, and when setting forth the principal economic-social missions for the 1981-1985 5-year period and the 1980's also stressed the maritime economy.

On the basis of the common line and the Party's specific policy in each phase, our country's maritime science and exploitation organs, including the Institute of Maritime Research and the Ministry of Aquatic Products, have carried out many maritime studies, from the Gulf of Tonkin to areas to the south, and have attained important accomplishments.

Our Party's line and the research projects that have been carried out clearly show our country's concern for the sea and the problems posed by the sea in the past as well as in the 1980's.

But that will our country's maritime policy be after the 1980's? That is a pressing problem that must be studied by our country's scientists, economists, and military men, beginning now, in order to promptly come up with a correct solution that is equal to the stature of the problem and appropriate to the circumstances and requirements of our country.

I believe that in order to cope appropriately with that problem we should take into consideration the following three factors:

1. The increasingly more rapid advance of science and technology has allowed mankind to unlock the secrets and discover the potential of the oceans. Mankind can place many hopes in the sea in order to resolve a whole series of problems to exploit the potential of the continental shelf: the catching and raising of aquatic products to increase the supply of protein; the exploitation of oil and natural gas deposits in the continental shelf; the exploitation of metal ore nodules on the ocean floor and minerals dissolved in sea water; and the exploitation of the sea's thermal energy. The actual situation has verified that that manner of approaching the matter is entirely realistic.

2. On 12 May 1977 our government issued a declaration that our zone of special economic interest extends 200 nautical miles from the base line, and that the continental shelf is a natural extension of the continent to the outer rim of the continental shelf and to 200 nautical miles where the continental shelf is 200 nautical miles wide. That was an extremely important declaration because it expanded the area within our national jurisdiction in accordance with international law. Thus we no longer have only a continental Vietnam with an area of more than 329,000 square kilometers but have a maritime Vietnam with an area of about 1 million square kilometers, and not only have natural resources on the mainland but have biological and nonbiological resources in our country's exclusive economic zone and continental shelf.

3. The United Nations Convention on the Law of the Sea of December 1982, which has been signed by more than 130 nations, including our own, acknowledges that the floors of the seas and oceans outside the limits of national jurisdiction and the natural resources on it, are the "common property" of mankind, and that therefore all of mankind, represented by the organs of international authority, has all rights toward the natural resources in that zone. The organs of international authority can directly exploit those resources by means of enterprises or by signing contracts with nations and the other entities to allow them to explore, exploit, and do business in the natural resources on the floors of seas and oceans. In the past our country, like the other countries, had the right to freely send ships and airplanes across the oceans. Now, with the new Convention, our country will be a member of international organs of authority and have the right to participate in exploring, exploiting, and doing business in natural resources on the ocean floor according to the stipulations of the Convention. Our country's natural resources are not limited to the mainland and the special economic zone, but have been expanded to the floors of seas and oceans outside the limits of our national jurisdiction.

Thus when studying and drafting our maritime policy we have the right to understand that it is a policy regarding the sea space under our national jurisdiction, our country's continental shelf, and even the open seas. That viewpoint must be fully understood in all phases of the policy, from scientific research to exploring, exploiting, and doing business in maritime resources, and from training a corps of skilled specialists to preparing, organizing, and investment capital, and from self-help to cooperation with other parties.

What should be done when "there is desire but no means?"

When speaking of the extremely rich natural resources and importance of the sea in our country's economic and national defense strategy, everyone agrees, but at the same time they see that "there is desire but no means" and that at present our "strength" does not "match our desires ." At present our country is only in the initial phase of the period of transition to socialism. It is both at peace and must cope with the border encroachment war and many-sided war of destruction waged by the Beijing expansionists. In addition to those advantages, we have many difficulties. We are clearly on the rise and the most difficult years are past, but clearly at present we do not produce enough

to eat and income does not meet expenses, so how can our maritime policy extend beyond the coastal waters and near-by seas? How can we speak of distant areas in the South China Sea or of the oceans?

But life, with its severe laws, has posed for us requirements which we cannot and should not avoid.

Our territorial waters and continental shelf constitute a great resource. International law has allowed our country to enjoy new, truly great laws, including those regarding the ocean floor. If it is a matter of national sovereignty we must retain it. If it is a legitimate right of our country we cannot refuse it. With the discovery oil under the sea off Vung Tau, the natural resources of the continental shelf clearly belong to us. During the next few years, in addition to promoting the exploitation of the natural resources of the continental shelf, if we obtain a notable amount of oil our economy can undergo changes. Furthermore, many countries are taking advantage of our country's present difficulties to compete for our country's land and natural resources.

Even in the South China Sea and in the territorial area under the sovereignty of our nation, the slower we are the greater the danger that we will lose more land, seaspace, and natural resources in the ocean and under the ocean floor. Today everyone clearly realizes that Beijing is seeking ways to expand seaward and gradually take over the South China Sea in hopes of carrying out its plans of expansionism and hegemonism in Southeast Asia.

The right and natural resources on the continental shelf, according to the new convention on the Law of the Sea, are inviolable, whether or not we make a declaration or whether or not we have exploited those natural resources. But there is no similar right to receive a share of "the common heritage of mankind" in the open seas. All nations have the right to register to seek permission to exploit metal ore nodules in each zone. A number of nations have already registered and many others will register to exploit the other zones until there are no longer any zones of economic significance for registering. In the past old people often said, "water buffaloes are reluctant to drink muddy water." Today, with regard to natural resources on the ocean floor, "slow buffaloes" will not even have "muddy water" to drink!

The developed countries have long actively prepared to explore and exploit the ocean floor. Now is the turn of the developing countries. In July 1981 India set up a maritime development organ (DOD), headed by a ministry head under the guidance of the Office of the Premier, which has the mission of coordinating the activities of the relevant organs and the drafting of India's maritime policy. In Thailand, Chulalongkorn University has cooperated with Canada's Dalhousie University in a large-scale program to study matters regarding the law of the sea in Southeast Asia (the SEAPOL program) since 1981.

At present, our country's problem is to:

--Either place the matter of the sea on a level equal to its importance, i.e. in the sphere of our country's sovereignty and legal rights, including the open seas. We are not yet able to do so.

--Or wait until we have the capability before coming to grips with the problem, by which time it is certain that the minerals we have the right to exploit on the sea floor will no longer exist. That will be an actuality in 50 to 60 more years, but beginning now we must fully realize the consequences vis-a-vis the future of our country.

That is an extremely difficult choice at a time when we have other priorities, but it is not an unrealistic program.

In view of the difficulties and urgent problems at present, advancing out to the open seas may be regarded as science fiction as far as our country is concerned, and participating in the exploitation of the ocean floor may even be regarded as a fantasy, as an illusion. But I believe that the most important matter is to first of all consider whether the oceans and seas are a matter of urgency for the near future or the distant future, or for the present of our country, and whether our country can build and develop both on the mainland and at sea. After seeing that the problem must be posed in that manner, the responsible organs will study and recommend policies and measures appropriate to the present and future capabilities of our country.

After the United Nations Convention on the Law of the Sea was signed in 1982 the Ministry of Foreign Affairs and the Border Commission of the Council of Ministers recommended that the government set up an International Maritime Committee. The standing committee of the Council of Ministers has set up a subcommittee to study the continental shelf. I recommend that there be set up as soon as possible a National Maritime commission with the mission of helping the government draft our country's maritime policy.

Prospects:

Poland, which was very heavily damaged in World War II and has an area only a little larger than ours and a population of more than 30 million, has built a developed shipbuilding industry and a merchant fleet of 304 ships with a total capacity of nearly 3 million tons, although Poland has only 500 kilometers of coastline. Cuba is an island with an area only one-third ours and a population of about 10 million. But in the past 25 years it has built a merchant fleet of 114 ships with a total capacity of 797,418 tons.

Vietnam borders the South China Sea, has a coastline more than 3,260 kilometers long, and has a large special economic zone and continental shelf. Twenty out of a total of 40 provinces, municipalities, and special zones, and more than 90 of the 426 districts in the nation, have coastlines. Thus half of mainland Vietnam borders the sea. Such a nation cannot but place the sea in an important position in its economic and national defense strategy. Such a nation can do at least as much as nations of equal or lesser stature. The problem is to have a correct policy and have effective implementation organization that is appropriate to each phase of its development.

According to legend, King Hung sent half his children to the mountains and half to the sea, so has the time not come to make that a true story which represents our country's two directions of development: toward the mainland and toward the sea.

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CSO: 4209/516

JPRS-SEA-85
14 August 19

INTERNATIONAL RELATIONS, TRADE AND AID

YOUTHS TO FIGHT BEIJING'S IDEOLOGICAL, CULTURAL SABOTAGE

Hanoi THANH NIEN in Vietnamese May 85 pp 11-15

[Speech by Tran Phuong Thac, secretary, HCMCYU Central Committee, at the Vietnam-Laos-Cambodia Scientific Conference, held in Hanoi in April 1985: "Vietnamese Youths in the Struggle Against the Plot of the Beijing Hegemony-Advocating Expansionists To Carry out Ideological and Cultural Sabotage "]

[Excerpt] In order to actively deal with the plots and acts of ideological and cultural sabotage against our youths, the Ho Chi Minh Communist Youth Union (HCMCYU), under the CPV leadership, has been carrying out these five major measures:

1. Actively equipping the youths with revolutionary world outlook and scientific methodology to make them capable of protecting themselves and attacking the enemy.

The objective of the war of ideological and cultural destruction that the enemy is waging against us is to destroy the confidence of the masses, especially the confidence of the young people, in the leadership of the party and in realistic socialism.

From there they will incite sentiments of discontent and dissent and provoke armed rebellion and overthrow.

Consequently, to strengthen the teaching of Marxism-Leninism and party line, positions and policies aimed at making youths master the laws of historical movement and socialist revolution and fully understand the revolutionary situation and task, the enemy and their own responsibilities is a job of extremely important significance. As everybody knows, the base of confidence is the understanding of the realities of life in conformity with their laws. Only by having this understanding can our youths explain the phenomena that occur in daily life and remain steady in the face of enemy counterpropaganda plots and maneuvers.

We think that it is necessary to equip our youths with the needed knowledges in the new struggle in order to defeat the enemy offensive on the ideological and cultural front. This is the most positive and active way to protect them, better than any immunogenic substances in the public health field. By so doing we will always be on the offensive on our own initiative, instead of having to passively deal with any single enemy maneuver with considerable difficulty but few results as we have done before.

With such an awareness, in the past years, under the leadership of the CPV Central Committee and with the guidance of the Department of Propaganda and Training of the Central Committee, the HCMCYU Central Committee organized the school years devoted to "Resolution of the 5th Party Congress" and "Uncle Ho" and the "Year of Learning Marxism-Leninism" among YU members and youths throughout the country in order to give them a profound understanding of the three revolutions, the two strategic tasks of building and defending the fatherland and the struggle between the socialist and capitalist roads. On that basis we helped our youths to distinguish and have a clear-cut stand between socialism and capitalism, between labor and exploitation, between individuals and collectives, between giving and taking and to struggle for getting rid of the harmful remnants of the neocolonial ideology, culture and way of life left behind by Americans. We attach great importance to educating the Vietnamese youths to make them fully aware of the nature and shrewd maneuvers of the Beijing rulers toward Vietnam and the three Indochinese states and to help them to fight all manifestations of indecision, illusion and lack of vigilance and to uphold their combat readiness for the defense of the fatherland and the noble international obligation.

With annual meetings of friendship among the youths and teenagers of the three countries, celebrations of the major Lao and Cambodian anniversaries and contests aimed at increasing the knowledge of the two friendly countries and the Soviet Union, we have been nurturing among Vietnamese youths the pure international proletarian spirit and the special combat solidarity and friendship among Vietnam, Laos and Cambodia and between Vietnam and the Soviet Union and the socialist community.

Carrying out Directive No 14 of the CPV Central Committee Secretariat, we have successfully organized the "Follow-the-Heroes Operations" aimed at teaching Vietnamese youths the revolutionary traditions. Soon, on the occasion of the 95th birthday of President Ho Chi Minh, we will launch the "Follow-in-the-Uncle's-Footsteps Operations" for the period of 1985-1990 aimed at teaching Vietnamese youths how to "live, fight, work and learn by following the example of great Uncle Ho."

2. Stepping up propaganda activities of mass interest among youths.

In addition to the means of mass communication of the party and state, rounds of political activities and theoretical courses, the HCMCYU attaches great importance to propaganda activities of mass interest among youths.

These are annual "Young Propagandists" contests organized at from basic to central level by the YU Central Committee and Ministry of Culture and attracting millions of participants.

These are activities of the propaganda units and assault performers units, with traditional musical instruments and simple means of propaganda traveling to axes and villages in remote border provinces and bringing with them the voice of the party and songs from the capital and localities throughout the country to the people and combatants on the front line of the fatherland to mobilize them and to arouse their combat and labor spirit.

The YU and cultural sector organize on an annual basis political song festivals and specific-theme film showings, which have so far attracted large numbers of youths and teenagers.

Through the above-mentioned activities, the youth mass has become the subject of the educational process. Propaganda and education are not something poured from the top but a job of the masses, with the masses educating the masses and fighting back in time against enemy counterpropaganda arguments.

We presently have as many as 200,000 propagandists and lecturers, who are present in all installations and work closely everyday with the people and youths. Having had advanced training in order to have a thorough understanding of the party views and line, using their hearts and minds, with oral propaganda, and rallying youths by means of artistic performances, they have the capabilities to go to every village, every family and every individual to do propaganda work without the need for material conditions as other modern means of communication require.

Knowing how to combine modern communication means with the forms of mass propaganda as mentioned above, we will surely create a combined strength for raising the effectiveness of our ideological work.

3. Bringing youths into revolutionary action movements to educate and train them and to fight enemy sabotage.

When he discussed the education of youth to resist enemy sabotage, Lenin had this to say: "The young generation can learn communism only when it knows how to closely link its learning, education and training with the relentless struggle of proletarians and laborers against the old society of exploiters" (Lenin: "Complete Works," Volume 41, Su That Publishing House, pp 371-372).

The realities prove that in order to raise the understanding of socialism and the struggle between the socialist and capitalist roads and to fight enemy slanders and distortions, we must organize youths and their participation in the struggle for socialist transformation against capitalist privately-operated industries, in land adjustment and agricultural cooperativization, in settled farming and settled life and in achieving democratic reforms in the highlands. And also participation in the production process and renewal of the socio-economic management mechanism.

In order to teach our youths the concept of labor and new labor behavior, we must let them work alongside with workers and farmers.

In order to teach them the concept of defending the fatherland and combat abilities, we must put them in classroom, which is the army, train them on drill grounds and send them to combat on battlefields.

The "3 assaults for collective ownership" movement of the Vietnamese youth today, the economic projects bearing the name of communist youth, the "Outpost strong point" movement, the movements to "Build the socialist way of life among youths" and to build the cultural life in production installations, the various forms of activities of control units bearing the name of youth, the combination of three forces (the youths, public security force and army), the campaigns against reactionary and decadent culture and various activities aimed at bringing our youths into social action and the realities of life and linking theory with practice in an interesting manner -- through all of these movements and activities, the generation of young people becomes more hardened and reassured in life, with their concepts becoming more profound and lively as theories and realities linked together now supplement their arguments. That is the best way to fight enemy attacks.

4. Paying attention to the special needs and interests of youths.

The young people today, who grow up in the new system, have a clearly higher standard of knowledge of culture and science-technology than that of the generation of their fathers and brothers. Under expanding international communications conditions, everyday they are in touch with many kinds of information in the country and in the world. But because of a lack of experience, a poor knowledge of the past and historical experiences and the sociopolitical concepts being far from proportionate to the scientific and technical knowledges they have acquired, with the enemy on the ideological and cultural front usually being not readily recognizable as a flesh-and-blood one and, more dangerously, being disguised in Marxist cloak and revolutionary pretense, they can easily be deceived and bribed by the enemy.

Under new historical conditions, our youths have many needs that the previous young generations did not pay much attention to. They are jobs, career, positions in society for them to assert themselves. They are the needs about cultural and artistic appreciation and creation, entertainment, recreation, esthetic values and fashion, marriage and family, and so on.

Our enemy is very clever in "responding" to such needs of our youths in order to destroy them and to compete with us for them.

We cannot underestimate this fact in the fight against the enemy.

Uncle Ho, when he was still alive, always reminded our youths that they should ask what they have done for the country, rather than what the country has done for them.

On the other hand, he reminded the leadership echelons to always take good care of the living conditions, studies, entertainment and recreational conditions and progress of our youths. Only by so doing can we create favorable conditions for them to offer and to grow up.

By the way, I think I should repeat here what G. Dimitrov said as a conclusion to the 7th Congress of the Communist International in 1935, "fascism has won because it succeeded in infiltrating the youth ranks, at the time when the Democratic Socialist Party made the young workers deviate from the class struggle and when the revolutionary proletariat failed to expand the necessary education among the youth and to pay sufficient attention to their specific interests and aspirations."*

5. Building strong YU organizations and Vietnam Youth Federation and ceaselessly renewing the forms and methods of youth education and movement.

Ideological work always is closely linked with organizational work. To have strong organization is a condition that ensures success for ideological work aimed at fulfilling the political tasks recommended by the party.

Our actual experience proves that wherever the organizations of the party, HCMCYU, Youth Federation and Vanguard Teenagers Unit at the basic level are strong and capable of rallying and attracting the great majority of youths and teenagers, including the unprogressive ones, into collective organization and activities, such enemy activities as counterpropaganda, intelligence and espionage and counterrevolutionary organizations are driven back.

* Dimitrov: "Selected Works," Su That Publishing House, Hanoi, p 90.

That was why in recent years we attached great importance to building and developing the HCMCYU and expanding the activities to unite and rally our youths and teenagers and children, particularly in the border provinces. For the first time, we succeeded in defeating the plot of the Chinese expansionists and religious reactionaries to win our youths, teenagers and children over to their side.

We did that by means of "Traditional Festival," "Festival of Heroic Youth for the Defense of the Fatherland," "Creative Youth Festival"; by organizing brotherhood bonds among the youths in the border provinces and coordination among the three forces -- the youths, the army and the public security force; with cultural, artistic, physical education and sport activities, sightseeing trips, camping, tourism and a bicycle race from Minh Hai to Hanoi on the occasion of the 10th anniversary of the liberation of the South; through seminars on such topics as "the youth and music," "the youth and the socialist way of life," "the youth and style and fashion," and so on.

We are trying to make our activities brighter and younger, closer to the young and more suitable for their taste so as to teach them, through such activities, how to fight enemy sabotage.

As life constantly changes, the plots and maneuvers of the enemy also change; therefore, the contents, forms and methods of education for the young that we use must constantly be renewed in order to avoid any feelings of being "bored" on their part and to make our ideological work more effective.

With the results already obtained and with the experiences of our own and of the two fraternal countries, we totally believe that although the struggle against enemy sabotage plots on the ideological and cultural front still remains a fierce, complex and lasting one, the Vietnamese youths, with the correct line of the CPV headed by beloved General Secretary Le Duan, will make deserving contributions and, along with all our people, totally defeat the Beijing reactionaries and other international reactionary forces in their multifaceted war of destruction against our fatherland.

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CSO: 4209/524

INTERNATIONAL RELATIONS, TRADE AND AID

RADIO REVIEWS WORLD REACTION TO ASEAN PROPOSAL

BK221027 Hanoi Domestic Service in Vietnamese 0015 GMT 22 Jul 85

[Unattributed "article": "The Fate of the New ASEAN Proposal on Cambodia"]

[Text] No sooner had the proposal for indirect talks--hatched by Thailand but wrapped in the ASEAN cloak--been advanced than it promptly met with strong public reaction. There has been a lack of consensus even among the ASEAN member countries themselves. As many journalists in Kuala Lumpur put it on 11 July: There have been indications of disagreement within ASEAN over its stand regarding the three Indochinese countries. Indonesia and Malaysia have shown their dissatisfaction with the proposal for indirect talks imposed on ASEAN by Thailand.

In its 15 July issue, the AUSTRALIAN FINANCIAL REVIEW observed: There is a significant rift within ASEAN over the Cambodia issue. Indonesia and Malaysia have been struggling hard for a solution to the issue. For its part, Thailand still maintains a hardline stance. This prompted the British magazine THE ECONOMIST to bluntly remark on 18 July: A proposal that is rejected even before it is officially set forth is unlikely to have a bright future. This seems to be the fate of ASEAN's latest effort aimed at forcing Vietnam to pull out of Cambodia. On 9 July, the British FINANCIAL TIMES contended that the ASEAN countries' proposal for indirect talks will die a premature death because Vietnam will never accept it. Several papers published in the capital city of Malaysia on 11 July also agreed that this ASEAN proposal will not work.

Exposing the illogical character of ASEAN's proposal, the TIMES JOURNAL of the Philippines wrote in its 11 July issue: ASEAN's appeal for indirect talks sounds hollow. What the ASEAN foreign ministers hope will lead to a settlement of the Cambodia issue through negotiations is in itself an obstacle to such a settlement. The paper analyzed: The ASEAN foreign ministers have not taken into consideration the China threat. Vietnam's concern over the threat posed by its northern neighbor is not totally unfounded since China once sent its troops across the border to invade Vietnam. If Vietnam still maintains its troops in Cambodia, it is because it has to cope with the threat from China.

Laying bare the chief purpose of ASEAN's proposal, the Indonesian paper SUARA KARYA on 9 July quoted the views of Dr Sujati, head of the international relations department of the Indonesia Center for Strategic and International Studies, and college Professor Dr (Sudarsono), which clearly pointed out:

The formulas set forth by ASEAN concerning the Cambodia issue do not make any sense since they are only aimed at returning Pol Pot to Cambodia.

Thai opinion is also at odds with the ASEAN proposal. In its 4 July issue, the Thai weekly SU ANAKHOT featured the views of Assistant Professor Sukhumpan Borisphat criticizing Thailand's foreign policy, including its new proposal on Cambodia. Mr Sukhumpan wrote: In the present situation, it is necessary for Thailand to seek genuine peace. Thailand should reconsider its policy, including the policy regarding the Khmer Rouge. Thailand should not be adventurous and unreasonably provocative but should be flexible and far-sighted. He counseled the Thai Government. As Buddhists, we must be responsible for our offspring in the quest for genuine peace so as to avoid unnecessary bloodletting. It is even better if we can make an effort to avert such a happening by stopping our support for the Khmer Rouge, who have an unprecedented record of cruelty.

For the United States, after Washington announced its support for the ASEAN proposal, the Voice of America carried on 17 July a statement by a U.S. Department of State spokesman clarifying that the United States has not changed its view that the atrocities committed by the Khmer Rouge while in power constitute [words indistinct] of the most hideous chapters in the history of humanity.

As for Australian Minister of Foreign Affairs Hayden, the CANBERRA TIMES on 15 July quoted him as stating at a meeting with the ASEAN countries that he cautioned against backing the ASEAN proposal and that he only supported the concept of indirect talks.

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PARTY ACTIVITIES AND GOVERNMENT

STUDENT, TEENAGER POLITICAL INFORMATION PROGRAM ADVOCATED

Hanoi THANH NIEN in Vietnamese May 85 pp 25-27, 15

[Article by Thanh Thanh: "Political Information, A Form of Education for Teenagers and Students"]

[Text] Political information is a form of education with an active effect on students and teenagers that assists them to properly understand the positions and policies of the party, the state and the Youth Union, to properly understand the domestic and international situation and revolutionary mission, and to block and guard against the "psychological warfare" arguments of the enemy and adversely affecting backward ideologies.

Political information is one of the forms for teaching the students communist ideology and political perception. It assists the teenagers and students to recognize and understand political events, orients their concern toward the world and domestic situation, and teaches them a socialist viewpoint in evaluating the social and political situation. Students and teenagers occasionally are unable to discover by themselves or fail to give the proper level of attention to problems occurring in life around them concerning teenagers, society, politics, ideology, etc., and the younger they are, the more difficulties they have in recognizing and profoundly understanding the nature of occurrences in life.

This is especially so concerning the economic, political and social problems of a complex nature such as the superiority of socialism compared with capitalism and problems in social development laws, the intimate problems of life such as prices, wages and commodities, the problems of developing science, technology, production, etc. All of these things are occurring daily and before their eyes under many different forms and the teenagers and students are not yet habitually concerned about these problems or do not yet have the ability to find the proper and necessary answers. Political information will assist them in correctly evaluating political events.

Political information is also a form of education of a combatant, versatile and effective nature allowing the prevention of and vigilance against every ideological sabotage of the foe and all types of false rumors, slander, defamation of the party and discredit to our socialist system.

Therefore, in order to strengthen the effectiveness of political and ideological education for teenagers and students, Teenager Unit and Youth Union organizations in the schools must actively use forms of information in their own

educational activities. The mission of unit and union organizations is to determine methods for students and teenagers to be regularly concerned about reading the newspaper and listening to the radio. They must be caused to actively participate in the collection of information, to have requirements for reading newspapers, and know how to accurately evaluate the collected information.

However, attention must be given to the fact that an erroneous viewpoint still exists among us that the age group of students and teenagers has no need for concern about the political and social problems of the nation and that such major and complex problems can only be understood by adults with no exchange of opinions with the young. In replying to this problem, Soviet Educator A. B. Lumatrapski, contemplating the course of teenagers and students concerning the positions and policies of the Communist Party and the Soviet State, asserted that because schools and teenager units have a sphere of great influence in the political and social life of the nation, they must have a presence in all political events, in everything of world concern, and in all happy and sad occurrences in this country--in which we travel and think with them-- all of these things affecting and influencing their schools and organizations.

Efforts to achieve political and ideological education requirements during the process of implementing political information is a difficult task. Soviet Educator D. A. Khodoropskya stated that this process is not one of mechanically and simply transmitting knowledge and information. That information and knowledge is not imbued by an external form but is the result of the thinking and intelligence of the students and teenagers themselves--a problem of specially important significance allowing the students and teenagers to consciously accept political comprehension.

According to the viewpoint of D. A. Khodoropskya, an important educational requirement in political information education is the establishment of a psychological base. This process consists of:

--Preparing the psychology of the students and teenagers regarding acceptance, clarification and grasp of new political knowledge, and appealing to and stimulating their concern and interest.

--Knowing how to rely on the information capacity standards and understanding and the socialist relations experience of the young.

--Clearly explaining the objectives and missions necessary for firmly grasping political and social knowledge.

--Giving concern for causing their acceptance and understanding of political knowledge to become conscientious and active, and knowing how to make systematic announcements before the collective as well as before the younger students.

--Organizing firm coordination between political study and the understanding of problems in surrounding life, and participation in intellectual and social activities.

To familiarize students and teenagers with the internal and external policies of the party and state, from the experience of the youth units bearing the name of Lenin, we have been able to apply different forms of activity such as: political clubs, roundtable conferences, forums, press conferences, youth propaganda units, etc., but a form of greater educational effectiveness is that of political information--a form which can be carried out, possibly once a week or twice a month and for a period of time dependent upon the specific situation and conditions of each school, intergroup and union chapter--in which the characteristics of each age group must be considered.

During the process of organizing political information, we must develop their concern for social understanding and the problems of political life, teach them to become socialist revolution propagandists, and stimulate their concept of systematic self-training and education.

The subject of political information implementation consists of materials on the political life of the nation and the world, on the achievements of the Vietnamese people in the fields of transformation, economic construction, culture, society and national defense, on the world political situation, etc. These political information materials may be divided into the following topics:

"Vietnam and the problems of industrialization."

"Vietnam in the task of agricultural transformation and development." "Vietnam and the problem of combat readiness to protect the fatherland." "Construction projects bearing the name of the youth." "One minute in the life of the country." "News on achievement of the 5-year state plan." "Examples of good people and good work." "Activities of friends of the same age throughout the world." "The struggle of the young for peace and happiness." "Two worlds--two young systems."

Radio stations and newspapers of the teenager and student age group play an important role, supply data, and serve as a basis for a form of political information of the teenager units and youth unions. The superiority of newspapers and radio are that they supply a great deal of data and rich information filled with political, social, cultural, scientific and technical, literary and sports aspects, the activities of youth union and teenager unit organizations, etc., and they promptly supply current domestic and world news. Therefore, they are able to answer the requirements of the young for understanding social and political news. If we know how to rationally and firmly organize and distribute those already available, newspapers and radio stations can reach the intergroups, school unit chapters and specific objectives of their propaganda task and successfully develop their strength.

Aimed at increasing the educational effectiveness of books and newspapers for the youth, the Central Teenagers Unit Council has launched a "reading and following newspapers unit" movement. Millions of teenagers have responded to and are participating in the movement. Many intergroups and unit chapters have studied and followed advanced models and examples of good people and good work (in assisting each other in studying and advancing together with other fraternal units). Many intergroups have been truly creative in the "for the future

current" movement launched by their unit newspapers (such as the Le Ngoc Han Intergroup of Hanoi and the Le Qui Don Squad of Ho Chi Minh City). The members of these squads have discussed and decided their own small planned programs, planted vegetables, raised chickens, collected and contributed gifts and purchased musical instruments to be sent as gifts to the youth club at the Hoa Binh hydroelectric work site.

Recently, through teenager broadcasts and unit newspapers, the young people throughout the country have known about and participated in the "for the advance patrol strong point" campaign. They have had many effective activities expressing the feelings of the teenagers and students for those soldiers now bravely carrying out a mission of protecting the nation on the front line of the fatherland.

This reality proves that many intergroups have known how to use materials from their unit newspapers and "young bamboo shoot" radio broadcasts in effective education and revolutionary sentiments for the teenagers, encouraging patriotic movements to contribute their efforts in the construction of the socialist Vietnam fatherland.

However, teenager unit and youth union activities still lack forms and methods aimed at teaching a concept of responsibility and familiarity and understanding of the political information problem. A study of the experience of the Lenin teenager unit has shown that to answer the desired requirements of the young to understand the political and social situation, to stimulate and motivate the attention of students and teenagers in the different sources and types of information, and to develop their creative and active capabilities through political information, the following methods may be used:

--"Traveling Along With the Country" Game.

Regarding the younger teenagers, begin by teaching them how to read the newspapers themselves and how to use material from these newspapers in their own activities through forms of discussion on the topics of: "What does the unit newspaper tell us?" "What do the nation's young bamboo shoot broadcasts tell us?" To shape the concern of the young age group for political and social events, a game may be played entitled, "Traveling Along With the Country" on seeking understanding of the unit newspaper with each station on the journey represented by one page in the unit newspaper, or one theme in the five teachings of Uncle Ho (for example: a study station, a labor station, a literary form station, a science and technology station, etc.). All students can take part in the journey, seeking understanding and collecting information from each page of the newspaper.

Relating stories about the unit newspaper and nation's bamboo shoot broadcasts:

This is a political and ideological education method drawing the active participation of students and teenagers in seeking understanding from the paper, listening to the radio and acquiring an acceptance of information. This form stimulates concern for systematically reading the unit newspaper and listening to the radio which gradually becomes an interesting attraction to them. In the

process of reading the newspaper and listening to the radio, each student and teenager selects one or a few bits of information in accordance with the subject of his own concern, records the information and prepares to systematically relate it to his detachment or class or those who are younger. During their unit chapter meetings, the teenagers can relate the topics in each page of the unit newspaper, or relate the specific theme of their own lessons with systematic attention to or announcement of news about the activities of unit chapters, pictures and games as directed by the unit newspaper.

Select individuals, detachments and unit chapters that do well in reading newspapers and listening to the radio. This form has an objective of causing them to be concerned about reading newspapers and listening to the radio--creating concern among the collective and the knowledge to organize collective activities for listening to the radio and recording and relating the information. A significantly important aspect of this method is the form of testing them in ways of consolidating the news, knowing how to draw realistic conclusions from the material collected, and applying that information to the activities of their own intergroups and unit chapters. Each detachment and unit chapter group participating in this examination must prepare and present a number of problems to fraternal units. From the test results, the responsible individual in charge analyzes and guides the students and teenagers in recording and accepting information and proving to them the principle problems of the news. From this, their attention is guided into the nature of problems while reading newspapers and listening to the radio.

"Question and Reply" Bulletins

This form is applied when the students and teenagers have begun to become familiar with reading newspapers and listening to the radio and regularly give concern to the current events and problems occurring in life around them. The political education significance of this method is in the efforts not to leave one problem posed by the students and teenagers unanswered or erroneously understood. In order to achieve this requirement, on the letter box board--the location where they leave their questions--a reply must be publicly posted on the blackboard or wall newspaper after a short period of time of 2 or 3 days. The entities in charge of researching and answering these questions are the management board and cooperator of the intergroup and unit chapter political club--including assistance from the responsible system and the school teacher collective. The questions are regulated around problems occurring in "the world today," the political and social problems of the local area and of the school as well as of the entire nation, or current news of the day or the week. To answer all the questions of the students and teenagers is not a simple problem. There are many difficult and important problems which cannot be answered immediately or briefly written in a bulletin. For these problems, it is necessary to hold meetings or press conferences on an entire intergroup scale for a systematic and fundamental reply.

Press conferences are a highly effective political education method. In these conferences, the matter of importance is not to read explanations or to hold forums or discussions but to reply to the ideas presented by the students and teenagers.

Skillfully answering these problems can only be done by specialists in their own field. During the process of the conference--all of the invited guests of the conference may answer the questions asked by the students and teenagers.

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PARTY ACTIVITIES AND GOVERNMENT

TRAN QUOC HOAN COMMENTS ON YOUTH PROSELYTIZATION

Hanoi THANH NIEN in Vietnamese Mar 85 pp 2-4, 7

[Article by Tran Quoc Hoan, member of VCP Central Committee, chief of VCP Central Committee, chief of VCP Central Committee Mass Agitation Department: "Vigorously Fostering Youth Revolutionary Movements To Help Successfully Carry Out Party Political Tasks in the New Stage"]

[Text] With a tradition of vanguardism in all battlefronts--fighting, laboring, studying and building a new life--and under the guidance of the party and venerated and beloved Uncle Ho in the past 55 years, Youth Union youths along with youths nationwide have written a heroic page of history in defending and developing the nation. In the new stage, with the entire nation advancing toward socialism, our youths have been taking an assault role in two strategic tasks and three revolutions, vowing to do their utmost for the party's and nation's revolutionary undertaking. Carrying out Directive 53 of the VCP Secretariat on strengthening party mass agitation work, youths should vigorously foster their revolutionary movements, enthusiastically emulate with people nationwide to attain and surpass the state plan for 1985, the last year of the Third 5-Year-Plan, using this as a springboard to reach higher goals of the Fourth 5-Year-Plan (1986-1990).

We already know that revolutionary movements are a yardstick measuring the laboring masses' sense and capability of collective mastery. "Only when the laboring people really achieve collective mastery will revolutionary movements come into existence; conversely, only when revolutionary movements come into existence will the laboring people really achieve collective mastery."

Revolutionary movements are a yardstick measuring the leadership capability of the party apparatus, and the extent of synchronized coordination between organizations within the proletarian dictatorship system.

In light of party political tasks in the current stage, each basic installation and sector should initiate and organize movements with practical agendas. Each revolutionary movement in the new stage must be examined and evaluated in three respects: achieving political tasks with concrete results; raising socialist awareness and the sense and capability of

collective mastery of the masses; and developing and consolidating political organizations with success. To develop and keep revolutionary movements working by gradually expanding into the grassroots level and making it stable and firm, one cannot ignore the need for efficient supportive policies, especially under present circumstances.

The most decisive factor in a mass revolutionary movement is the party's correct policy, which originates from the party's lofty and magnificent ideal of bringing welfare to the working class and laboring people. The effectiveness of a mass movement lies in the party's intelligent and skillful organization and deployment of revolutionary forces, and in a strict and unified control and evaluation process in party chapters, as well as in mass organizations and administration organs, from the basic to central levels. That effectiveness also depends on the degree of virtuousness and competency of party cadres and members.

To bring revolutionary movements to fruition, it is very essential to make public their goals, content and progress, with a view to gaining people's trust, and to stimulating them to discuss, work and control.

The party task of youth proselytization is aimed fundamentally at training a new generation to build socialism and vigorously defend the Vietnamese socialist fatherland. This is the Ho Chi Minh young generation, noted for its achievements in collective mastery, its patriotism, its socialist awareness, its sense of proletarian internationalism, its determination to defeat all foes of the nation and class, as well as its poverty and backwardness, its love for labor and study, its proficiency in many professions--and expertise in some--its commitment to discipline and its technical and cultural competency. To reach that goal, the party and the dictatorial machine must lead and support the youths; but in return, the latter must make the biggest effort at attainment. Uniting the nation's youths, the Ho Chi Minh Communist Youth Union, as a vanguard fighting unit, and a solidarity core of the youth movement, must be alert to party political tasks, and prompt to organize and train youths through revolutionary movements.

So far, our youths have done great work. More than 14 million laborers are young people who, in response to party appeals, have contributed to all fields of activities, dressing war wounds, rehabilitating and developing the country, firmly maintaining security, and valiantly fulfilling international obligations and fighting the Chinese expansionists' war of invasion. In industry, young workers have signed up more than 2.3 million times for exceeding plans--a goal which an average of 360,000 youths a year have achieved. We have over 7,500 projects named for youths. The movement of creative youths learning skills and taking part in contests for excellent workers has unceasingly expanded, showing both depth and effectiveness. In agriculture, youths have introduced science and technology into the fields and built material and technical bases in the cooperatives. Some 400,000 youths have volunteered to build new economic zones. Youths have also made important contributions to socialist transformation and building a new culture. Especially, in

the battlefield of defending the fatherland, youths nationwide, carrying on the tradition of heroism, have overcome all challenges to safeguard the fatherland's border and fight Chinese invading troops, alongside of youths from brotherly Laos and Kampuchea, resuscitating the latter's territory and preserving the former's independence.

At present, with a determination to crown the three revolutions and two strategic tasks with success, people throughout the nation are fostering the right to collective mastery, enthusiastically making achievements in all fields of life to salute historic events of 1985: Uncle Ho's 95th birthday, the party's 55th birthday, the 40th Independence Day, and the 10-year anniversary of the liberation of the south. Expanding on these achievements, the youth movement must hold on to an assault position on the revolutionary stream of the masses. Youths must volunteer for difficult places, and places where the fatherland needs them, acting as a shock force in all revolutionary movements and in the battlefronts of national defense, security, socialist transformation, development of new production relationships, production, thriftiness, science, technology, culture and ideology, to build a new culture and a new man, thus enabling economic and social goals for 1985 to be attained successfully.

Because of the young generation's characteristics and status, the youth movement has taken on special features. From its assault position it has always achieved concrete goals, boasting high volumes of production, high yields and high quality. Moreover, through revolutionary movements, the young generation has rapidly achieved maturity, in terms of ideology, culture, science, technology, vocational skills, health, psychology and morality. Along with the youth movement, the youth political organization has also grown and expanded. Party and union ideals have become a material substance, penetrating deeply and securely into the young generation's minds and hearts. The union has become closely associated with youths, receiving in the process more and more valuable experiences on assembling and training young people.

For the youth movement to develop with vigor, the union must do its utmost, first of all, strengthening political and ideological education in a comprehensive manner to guide youths to "live, fight, labor and study by great Uncle Ho's example." The union must guide youths to develop a new lifestyle and new morality. That ideological work is aimed at inciting the young to put their trust in party revolutionary ideals and sharpen their willingness to fulfill their tasks in spite of all difficulties--as Uncle Ho once put it:

"No job is difficult
"Unless one is not patient
"Razing mountains and fulling seas with soil
"Can be done, if one is strongly determined."

We must pay attention to raising membership quality, focusing first of all on strengthening basic installations. We must abandon bureaucratic procedures at the first opportunity, and promptly renovate union work

methods to fit in with the new situation; in the past, we mobilized the masses and young people to take part in revolutionary activities to seize power; now, since that power is in the people's hands, we must learn to use it to mobilize the masses and young people. We must rely on the state apparatus, the economic system, concrete tasks and various aspects to life to patiently build a Ho Chi Minh young generation. In doing union political tasks we must change work methodology. Youths must see our current economic difficulties as an opportunity to put their assault role to work. There are many measures apt to accelerate production, but the party has insisted on the need to do that through revamping the managerial structure.

We must pay attention to providing advanced training to union cadres, since they are a main link, and to union secretaries, since they are flagbearers guiding youths to follow the party and take an assault role in fulfilling revolutionary duties. Youth cadres must study and must understand youth psychology, social psychology, career psychology, economic management, culture and arts. Union cadres must draw on youth life for devising dynamic and attractive ways to bring youths together. In launching youth training movements, they must take into account typical differences in professions, educational levels and residential areas. It is best to draw experiences from top front-rank installations--previously selected and honored--for wide dissemination and application.

The youth movement has an especially important meaning because it is a strategic issue of the revolution. The nation's new situation requires the entire party to strengthen leadership over youth work, tighten up the already close ties between youths and the party, and steer Vietnam's young generation along the revolutionary road. Party committee echelons must really put their trust in youths, giving them assignments and creating conditions for them to do their shares. Since youths are active by nature, and since work is the only way to accelerate youth maturity, we must guide youths to work. And since party committee echelons see youth work as a component of party work, we must channel all party members and the party proletarian dictatorship system to assisting youths in carrying out their activities. Party committee echelons must listen to youth input about party building, and understand that youths are a powerful, huge and vigorous complementary force to the party. They must actively conduct propaganda and education to bring top union members into the party, showing extra care to avoid narrowmindedness and paternalism. At present, young people, particularly young workers, still account for a low percentage in the party. Some factories have no party chapters, even no party members. That situation has deprived youths of a nearby prop while toiling. Union members, party members and party organizations must be stationed right where youths are present. Party committee echelons must always take care of educating youths about their obligations. The propaganda and training sector must really take the lead in that work, because it is the only way apt to adequately outfit youths with fine revolutionary qualities. Party control echelons must take remedial

measures in places where the party's youth proselytization policies and procedures have not yet been strictly implemented. And we must promptly correct unwholesome factors in the youth movement while providing youths with precious experiences about how to organize and strengthen revolutionary forces.

The administration and economic organizations must view youth work as a component of the economic-social strategy. They must promptly overcome the problem of youth unemployment. We welcome Hanoi, Haiphong, Ho Chi Minh City and other localities for their diligent initiatives in finding employment for youths. We also welcome many factories and production installations such as the Gia Lam rolling stock works, the leather shoe factory for export, and the Minh Khai textile mill in Hanoi, for their effort to open vocational training courses on the spot to pull youths toward productive labor. At the beginning of the year, the Rubber General Department coordinated with youths to discuss plans for expanding rubber planting areas. However, some cities, municipalities, ministries and sectors still are not really interested in this matter. We must promote outstanding people from the youth movement to leading positions in production, economic management and in administration; and encourage youths to foster initiatives and apply science and technology to production. We must also create conditions for youths to discuss and make decisions on key duties of their units such as planning, commendation, discipline enforcement and recruitment, and so on.

As the party's mass organizations, the Vietnam Fatherland Front, the trade unions and the women's union must, within their responsibilities, attentively help the Youth Union and the youth movement, and must see youth work as one of their tasks aimed at building and expanding their own organizations.

Building and invigorating the youth movement is an obligation of the Ho Chi Minh Communist Youth Union, of all revolutionaries and all organizations within the party's proletarian dictatorship system. The party attentively educates and guides youths in the youth movement, and in return will receive from the latter new complementary forces, long-standing revolutionary experiences, rich forms of mass proselytization and tangible political and economic effects.

It is imperative to focus on the grassroots level and initiate adequate changes there. Thus, all party committee echelons, administration officials, economic bodies and mass organizations should stand together with the Ho Chi Minh Communist Youth Union to make the youth movement become stronger and stronger so that the party's two strategic tasks and three resolutions can be carried out with real success in all respects. Furthermore, these movements will shape to our benefit a new generation apt to carry on the party's glorious undertaking in an outstanding manner.

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PARTY ACTIVITIES AND GOVERNMENT

BUI DANG DUY DISCUSSES SOUTHERN YOUTHS

Hanoi THANH NIEN in Vietnamese Mar 85 pp 8-9, 20

[Article by Bui Dang Duy, philosophy professor: "Ten Years Since Liberation of the South and Development of Social Trends in Youths"]

[Text] The group of southern youths mentioned in this article, 10 years after the liberation, consists mainly of those formerly living in the U.S.-puppet occupied zone, under the domination of neocolonialist ideas.

Historically speaking, 10 years is not a long period of time. But, for the young generation, this clearly is a "historymaking" one.

That this special group of youths has chosen the path to socialism as their ideal is in no way an unexpected phenomenon. The party and the socialist state have carried out a series of policies aimed at establishing, on a scientific basis, a system of social trends resulting from studies of Marxist-Leninist science and from communist educational activities.

The people's attitude toward the old society from which they were liberated is an element of that system of social trends--the former neocolonialist society under U.S.-puppet domination. Since the present always overlaps the past, which it continues, assimilates and also negates dialectically, one will not be able to understand a society's present and future without reviewing its history. Accordingly, attitudinizing toward the past is engaging in an ideological struggle--to be precise, a confrontation between socialism and the bourgeoisie.

Thus, 10 years after the liberation, what is the southern youths' attitude toward the old regime? It goes without saying that an in-depth look into the old cannot be separated from the new, the present.

About the new society 10 years after the liberation, many bourgeois politicians delight in portraying the southern people's quest for the socialist path as a result of "assimilation by the north," or "voluntary compulsion" by a "totalitarian" establishment. A bourgeois logician can never understand that revolutions are all undertaken by the masses.

At present, in the southern part of our nation, those fighting at the frontline for the victory of socialism are no strangers; instead, they are people--most of whom are youths--who, until yesterday, were dominated by colonialism, and now are resolute and competent warriors in production and combat; who are holding master positions from the street level to the highest echelon of the state apparatus; who boast a creative mind; and who are exemplary members of the vanguard party.

Looking down his nose at the masses, a bourgeois logician sees that phenomenon as a robot's response to a stimulus. As for us, this is a genuine dynamic of history. Only men prodded by the almighty force of spirit and intelligence can do so.

There is no denying that quite a few youths are still under the damaging clout of hostile propaganda. Ten years time is not long enough to eliminate these vestiges. A research study into the noxious effects of neocolonialism on culture and ideology in Ho Chi Minh City colleges indicates that numerous youths still believe that under the former regime there also were freedom, democracy and even representative government.

To make people understand the antagonistic contradiction between realities in a colonialist society and today's socialist ideals clearly is not a task that can be achieved overnight. Only through a long-term communist educational program can the people see the nature of social progress based on democratic relationships and genuine collectives, as well as the inevitable replacement of the old societal form with the communist form according to the laws of history. Well, it is necessary to help youths distinguish between genuine freedom under socialism and formalist freedom in bourgeois society, but clearly that is not enough, since in order to perceive the formalist nature of that freedom one must grasp the methods of reasoning about human nature (the isolated man in bourgeois ideology and the practical man under Marxism). And in order to discern that man is a product of history one must master arguments about economic and social forms and means of production, and so on; in sum, in order to understand thoroughly all these relationships one must have acquired the entire treasure of Marxist-Leninist logic.

In the past 10 years, our young friends in the south have more or less had contact with methods of reasoning about socialism through labor, study and books and newspapers and with mounds of difficulties--and negative phenomena arising from them--during the first stage of socialist building.

Clearly, one is not--and will not be--able to level differences between elements of a piece of logic--the differences between general arguments about socialism and its concrete historic development; between ideals and realities; and between subjective desires to build "at a fast clip" the most perfect form of socialism and the capability of fulfilling these desires within an expected time frame amid rigorous objective limitations. Ignorance about these relationships and excessive aggrandizement of their partial lack of uniformity are among the reasons giving rise to incorrect criticisms of socialist realism, thus damaging the effort to shape

human social trends. This is the case, not only with youths coming of age, but sometimes also with those already hardened by revolutionary struggle.

Another reason--the phenomenon of Utopia--hurts the development of social trends, particularly the mental states of adults.

Those freshly attaining adulthood and cheerfully in the quest for truth often make a simple comparison between reality and the ideal.

As a matter of fact, in many countries of the world, including ours, especially in some capitalist countries, many young intellectuals have acquainted themselves with Marxism, hoping to find in it a social ideal. But some of them have passed judgment on socialist realism with unsympathetic eyes, even abominating the building of a new society in socialist countries. At first blush, the causes of that phenomenon are apparently contrary to common sense. The real issue, however, is whether their judgment on socialist society is based upon scientific Marxist-Leninist doctrine, or upon certain Utopian socialism, or upon idealistic concepts wrongly affixed to it. And, of course, the mistakes arising from that good will are different from the mischievous ones made by the ideological enemy moving along the path of anticommunism.

Socialist realism is the greatest achievement of our epoch. But the communists in Vietnam, and in other countries, have never considered socialist realism as having fully achieved the socialist ideal. Let's borrow from Comrade R. Arisinendi, first secretary of the Uruguayan Communist Party, a statement of his on the Soviet Union, to portray the building of socialist realism in our country, many decades after being introduced. "It is," he said, "no 'paradise'; it is rather a triumph over the 'hell' of imperialism and neocolonialism. Looking straight at the ideal and grasping realities firmly, regardless of thorns, is the philosophy of our socialist optimism."

Let's examine once again the noxious effects of neocolonialism. Some negative phenomena, such as apolitical attitudes and negative lifestyles, etc., still detected in a number of youths in the south following the liberation, have crippled the shaping of correct social trends. This predicament undoubtedly originated in the backward traditions, vestiges and habits of the past, and a system of social trends born to an old societal frame, which was different in principles from, and incompatible with, new conditions of the new life, and with the objective requirements of historical development. A mechanical transposition to the new society of goals and evaluations originating from past periods of history, which were different in content from the present, would certainly make individuals lose their social bearings and lead to ideological and psychological errors apt to impair behavioral growth.

These "incompatibilities" also are a result of Utopian and absurd orientation. On the surface, Utopias and myths seem to reflect current realities and future programs; in fact, they distort true processes and characteristics of the present and genuine roads leading to the future.

Hence, to build a scientific, mature and flawless system of social trends for youths, those active builders with a sense of the new society, must conduct educational programs about communism with a view to determining and upholding its lofty ideals. These ideals are a result of scientific studies on the development of socialism and on the building of society. In other words, people having an awareness, based on solid history, of the nature of these ideals are being called upon to achieve them in the future.

The 10-year period since the liberation of the south is the first 10 pages full of attractiveness of a big book on socialist trends, designed to build socialist ideals for our young generation.

9213

CSO: 4209/454

PARTY ACTIVITIES AND GOVERNMENT

YOUTH UNION ORGANIZATION IN HAIPHONG PORT STRENGTHENED

Hanoi THANH NIEN in Vietnamese Mar 85 pp 16-17

[Article by Le Kim Long: "Staying Close to Realities To Educate Youths About Building a Revolutionary Movement and Taking Part in Management"]

[Text] From Realities at the Basic Level...

Haiphong Port is an enterprise composed of many units, sectors and professions involved in industrial production--construction, communications and transportation, and so on--and is a concentrated communications and transportation center with rail, land and water facilities.

Day in and day out, the vast port "surface"--half of which is covered by water--witnesses from 200 to 300 vessels of all kinds entering and leaving the harbor--including ships from foreign countries--of which nearly all economic and national defense sectors are represented (each year, about 600 vessels enter and leave the port with nearly 400 merchandise owners from ministries, sectors and localities).

The scope of management and activities of that big factory is all the more cumbersome and complex since piers, wharves, ships, boats and warehouses are scattered on nearly 100 km of land, river and sea, from pontoon 0 to Halong, Tra Bau, Bach Dang, Cua Ve, Cang Chinh and Vat Cach--not to speak of busy moments, when arriving shipments are not unloaded, but are instead hauled directly to major project sites, such as the Da River Hydroelectric Station, the Thang Long Bridge, the Pha Lai Electric Station, the Bim Son and Hoang Thach cement factories, and the Bai Bang Paper Mill...With the task of receiving, unloading, loading and hauling from 2 to 3 million tons of exported, imported and north-south goods per year, Port authorities must adequately organize all emptying warehouses, to guarding, maintaining and transporting merchandise, as well as storing it in warehouses and wharves.

Because of that characteristic, Haiphong Port has always been an economic installation holding an extremely important economic and political position; at the same time, it has become a target which the enemy has scrupulously strived to sabotage in many respects, and also a lair for negative elements with all kinds of tricks designed to corrupt workers and use them as accomplices in stealing state property.

In the face of such complex circumstances, Haiphong Port has, in recent years, displayed many negative features:

--Lax labor discipline, resulting at times in failure to ensure attendance of 80 percent of workers.

--Careless work, or noncompliance with labor regulations and port principles, leading to errors and losses.

--Stealing of socialist property, as seen in major cases and, worse still, in instances of arrogant and open thievery. That is why port authorities have, in the past 2 years, removed from the rolls 486 workers, including a rather high number of youths. Although this was a sharp and ferocious internal struggle for a right cause, one could not avoid feeling pain and, therefore, the need for remedial action.

The biggest difficulty confronting the union is that its 17 primary organizations, with a total of 77 chapters, are scattered across the vast and complex port area, with Youth Union youths accounting for over 30 percent of the working force. Can the union maintain its position? Can it struggle with success against negative phenomena? The union has chosen the right path--using education to raise member and youth awareness. After clearly defining the role of political and ideological education, the union has coordinated with port authorities and party leaders to draw upon union educational materials to guide youth political meeting agendas, thus helping to delineate the positions, obligations and responsibilities of port union members and young workers in the battlefront against negativism.

Expanding, along with youths nationwide, on the movement to "follow in the heroes' footsteps," and raising high port traditions, sense of responsibility and glory, the union has organized various waves of revolutionary activities at basic installations and production units, using this as opportunities to conduct propaganda and mobilize youths to attend educational sessions.

Ideological education has led to the capability of setting emulation norms. As a result, the union has coordinated with port authorities to classify workers on the basis of work quality, and has diligently and strictly educated 800 C workers, including 200 youths.

The educational effort is embedded in the port economic structure under unified command, from union chapter executive committees down to their counterparts at the unit level.

The union has broadly applied experiences drawn from the 45th unloading and loading youth unit, relying on them to set adequate emulation standards.

In 1983, there were 25 youth units; in 1984, there were 35 vehicle and machinery youth units with clearly higher work quality: 100 percent of

youth units recorded no violations by youths, and were named progressive labor units, two-thirds of which have attained the socialist labor label.

Through quantitative multiplication and qualitative improvement of youth units, the union has set up youth socialist collectives, as typified by the 45th unloading and loading unit, which was named socialist labor unit 3 years in a row, and was commended by the Council of Ministers.

And it is worthwhile noting, in building a revolutionary movement in the port area, that the union has really attracted the young generation through proper labor organization and youth unit management, and through being able to ensure economic benefits with salaries and productivity bonuses.

In addition to dispensing economic benefits, youth units also serve as a magnet for youths who believe they can find in it opportunities to train and mature.

Using youth units as a core, the union has built youth projects with success:

In 1984, working under contract, youth discharged cargo from the ships Smogodin, Baikonur, and Malodovardepski, and so on. The Soviets helped us carry out the contract ahead of schedule, for which we received a bonus amounting to 87,449 rubles. That enabled the union to properly solve "three advantages" for the youths and build its organization with success.

And for a more active and efficient participation in the management and protection of socialist property, the union has made an effort to bring four forces in the port area together to control and manage socialist property and fight theft.

By bringing four forces together and working alongside units in the vicinity of the port, the union security assault unit has detected large-scale thefts of glutamate and Western drugs worth hundreds of thousands of dong.

In 1984, the port union established 18 youth assault units with more than 500 members actively taking part in socialist property management and protection. Through nearly 400 assault patrols, union youth members detected and thwarted many violations of the law, big and small. Especially, they strengthened guard duties in key zones and "hot" spots, such as night shifts, shift transfers from midnight to 6 am, and arrivals of cargo ships and private merchandise, when losses are most likely occur. In 1984, by assigning core elements of youth assault units to work in production units, warehouses, wharves, shifts and mechanical units, the union contributed to stopping all petty thefts, reducing 40 percent of negative cases compared with 1983.

The Mail Box Against Negativism was introduced by the youth assault units to enable their core members to report dubious activities to public security forces protecting the port, in a secret, well-organized and prompt manner, so that crimes can be avoided. In the youth struggle against negativism here, there are quite a few individual and collective examples of valor. For instance, Truong Van Tu and Nguyen Tuyen Quang, barge security escort members, fought to the bitter end against evildoers to protect property and merchandise, although their shoulders were wounded by hostile weapons. Bui Van Hau, secretary of the chapter defending Cua Vo, fired back at criminals to protect cargo. Relying on regulations on protecting production, control stations managed by youths at gates 4 and 5 in the main harbor, Gate 1 in Cua Vo, and Gate 2 in Vat Cach, have strictly controlled entering and leaving vehicles and people, and shown a high sense of responsibility in refusing to clear merchandise not complying with port procedures. It can be said that from ideological education to building a revolutionary movement with activity formulas suitable to realities at the grassroots level, and with appropriate focus on youth material benefits, the port union has been able to bring youths together and guide them to actively work in order to fulfill their duties in an outstanding way, and through that process, to train themselves and achieve maturity.

Last year, by way of that educational movement capable of attracting youths, the port union presented over 100 first-rate members to the party for advanced training. As a mark of honor, 16 outstanding candidates have been admitted to the party.

In 1984, union activities and its revolutionary movement gradually expanded into the basic level with concrete emulation criteria and work-quality standards. This year, we will certainly receive excellent experiences and new achievements from the young generation and union organizations at Hiaphong Port.

9213

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PARTY ACTIVITIES AND GOVERNMENT

BUILDING UP PRECINCTS REPORTED

Hanoi NHAN DAN in Vietnamese 27 Mar 85 pp 1, 4

[Editorial: "Building Up Solid Subwards"]

[Text] Presently there are 800 subwards in our cities and municipalities. Each precinct has from 2,000 to 10,000 inhabitants, the most populous having 25,000. In the three-level administrative system the precinct's position becomes more and more important. It is in the subward that workers realize their primary collective mastery at the grass roots level, where the party leads, the state manages and the people are the masters where all party and state policies and the two strategic missions of building and defending the socialist fatherland in the cities are being directly realized. It is within the subward that all aspects of people's life are directly being obstacles to the management of municipalities. On the contrary, it contributes to the enhancement of state authority and facilitates the management of municipalities, making it more efficient and closer to the people's life, with many effective results.

Building up solid subwards becomes an urgent and extremely important responsibility for cities and municipalities. Ho Chi Minh City attaches great importance to the formation of subward echelons. It has many interesting experiences and has shown creative dynamism in the building of solid subwards. Ho Chi Minh City's experience was to apply the mechanism of party leadership, government management and mastery by the people, to abolish authoritarian and paternalistic regime, expand the division of labor, decentralized [authority] to the subwards, enhanced initiatives at base organizations and especially respected the collective mastery of the people in the subward. The subward echelons not only assume the administrative functions, they also carry out comprehensive supervisory functions, particularly economic management. Many subwards in precincts 1, 3, 5, 10, 12 and Tan Binh have taken the right steps to utilize the people's existing abilities, labor potential, skills, capital, production supplies, and plants to encourage small and handicraft industries and socialist enterprises production. Some subwards created hundreds of millions of dong's worth of GNP which include more than 10 million for export goods. By encouraging production a large volume of varied consumer goods was created, with many lines serving local people and being sold to other localities and for export. Production development absorbs labor, providing subward residents with adequate and appropriate jobs, high and stable income resulting in security and dynamism.

Many subwards starting from scratch, were able to build up a solid economic structure, to provide a stable life to residents, thanks to their ability to release the combined strength of the mechanism of party leadership, government management and mastery by the people which derives from cadres and people who are not conservative or procrastinating, who are of one mind and heart moving ahead, who practice self-help for self-improvement, and who are sensible and intelligent. Just the strong economic development of a subward has been enough to make obvious improvements in the subward people's life, hence favorably influencing security and social order.

Ho Chi Minh City's strong and solid subwards also recognize the need to organize the subward people's lives. They truly take care of the distribution of each kilo of rice, each bunch of vegetables, each piece of meat, each bottle of oil, each bag of sugar, or a fish, applying the mastery of the subward's working people. In these subwards on the distribution and transportation battlefield, the government and the people are applying the right of mastery under party leadership to push forward and manage the market, to reform private trade, to punish speculators and smugglers, to mobilize people's capital for marketing and consumer cooperatives and distribute goods fairly and conveniently down to the people. The very people of the subward are directly engaged in the "who beats who" struggle between socialism and capitalism on the economic front, as well as with the struggle against the enemy's war of sabotage in the subward. The people are the masters in the subward. They are vigilant and resourceful and they know how to defend the security of the fatherland in the subward, to maintain social security and order and to persuade and educate corrupt and decadent individuals. Subward people are carrying out many tasks such as defense, army recruiting and military rear service policy under many lively and varied forms.

Many subwards in Ho Chi Minh City have promoted the people's collective mastery, organizing child care homes and kindergarten classes. Waste land was turned into sports and gymnastics areas for the young people's recreation. Some subwards with adequate capital train hundreds of new cadres yearly for the people. When people love their subwards and cities they will be willing to keep them clean, orderly and with a healthy cultural appearance.

The decisive factor in the strong movement at the above mentioned subwards is the Ho Chi Minh City party committee which has built up, trained and nurtured a body of young cadres at the subwards, especially those youths who grew up within the local popular movements, who understood their own subward and city, who have a good education, health, dynamism, creativity, sensible to new things, closely united to the people, who understood city life psychology and behavior and who especially have revolutionary zeal.

The building up of subwards in Ho Chi Minh City as well as at other cities has posed many questions which need to be addressed and studied so as to expand the subwards initiatives, to renew the management mechanism, especially in the areas of market management, transport and distribution, to build up the precinct into a planning and a budget unit.

In the first phase of the transition period, the subward level needs to be reinforced so as to realize the mechanism of party leadership, state management and the people's mastery in the subward.

PARTY ACTIVITIES AND GOVERNMENT

DO MUOI ADDRESSES HANDICRAFT CONFERENCE

BK201427 Hanoi QUAN DOI NHAN DAN in Vietnamese 6 Jun 85 pp 1, 4

[VNA report]

[Text] The small industry and handicraft sector held a conference 28 May-3 June to discuss ways to apply the new mechanism of management and thoroughly solve all problems to help put production and business establishments on the right track.

Comrade Do Muoi, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers, attended and addressed the conference.

Last year the small industry and handicraft sector developed its self-reliant and self-supporting spirit and overcame difficulties arising from the shortage of raw materials, equipment, and electricity. It attained 110.6 percent of the planned target for the value of gross production output--an increase of 3 percent over 1983--and 124.8 percent of the planned target for export value. This shows an increase of 20.4 percent. Thus, it succeeded in meeting part of requirements arising from production, life, and export. The quality of certain products has been improved. As for export goods, the number of goods to be taken back for recycling dropped sharply in comparison to preceding years. Certain kinds of goods exhibited at home and abroad have been noted as reliable.

Various state policies have produced a positive impact on production as well as on handicraft workers. Cooperative unions at the provincial, city, precinct, and district levels have shown great efforts in improving their methods of guidance. This has helped grassroots-level establishment solve part of their difficulties in materials and in promoting the consumption of products. Policy-related problems have been initially solved to make it possible for production to develop.

Thoroughly aware of the essence of the resolutions of the party Central Committee's sixth and seventh plenums on the need to improve the economic management system, do away with bureaucratic and subsidy-based management, and shift completely to economic accounting and socialist trade, in the future the small industry and handicraft sector must concentrate on improving its planning work, guiding the planning work from the grassroots level upward, and making sure that planning work is closely based on the market and is carried

out in such a way as to suit the production situation of the small industry and handicraft sector. It is necessary to revise various policies, especially those on circulation and distribution, money, taxes, and prices if problems are to be solved and if the collective mastery, dynamism, and creativity of establishments are to be developed to achieve a constant improvement in labor output and product quality.

Addressing the conference, Comrade Do Muoi, vice chairman of the Council of Ministers, commended the small industry and handicraft sector for its 1984 achievements in the fields of production, socialist transformation, and implementation of various policies of the party and the state. He also pointed out shortcomings displayed by the sector at present and over the years. Most relevant are the following shortcomings: Production in various areas and localities has developed slowly and unevenly. As for mountainous and midland provinces, especially those mountainous provinces along the northern border, the development of small industry and handicraft to support the people's welfare, production, and combat has not yet been given appropriate attention. This should be regarded as a strategic task.

Moreover, the scientific and technical revolution within the small industry and handicraft sector has not yet been given appropriate attention. Efforts to improve production tools and apply technical innovations have been regarded as sluggish. Production output of the sector remains low while production costs remain high and production quality poor, thus rendering it impossible for the sector to materialize the slogan: "Small industry must be modernized and handicraft must look sophisticated." In general, despite some improvement, socialist transformation activities carried out last year by the small industry and handicraft sector still displayed numerous shortcomings. The proportions of cooperativization between localities were highly uneven. The process of transformation was not linked with requirements for increased production. That is why in some areas and at certain times there has been a state of restriction and a lack of voluntariness. The quality of cooperativized establishments was not high enough. At numerous establishments, the means of production were still privately-owned and income was, for the most part, divided among individual members. Efforts to consolidate and perfect production relations of the small production and handicraft sector throughout the country have still not yet produced visible results. International cooperation involves only the relations between a number of member countries in the SEP [as published] bloc and our country's small industry and handicraft sector in providing assistance and training to managerial and technical cadres. To overcome the difficulties and shortcoming mentioned above and to promote increased production of small industry and handicraft goods during 1985 and the ensuing years, Comrade Do Muoi emphasized the need to carry out the following tasks:

It is necessary to plan small industry and handicraft production activities for each related economic-technical sector and each territorial zone through rearranging production and carrying out socialist transformation in each particular branch of goods.

It is necessary to carry out simultaneously and thoroughly the three revolutions--with the scientific and technical revolution being at the core--to speed up the development of small industry and handicraft; effect a change for the better in product quality; materialize the slogan: "small industry must be modernized and handicraft must be sophisticated"; and improve the output, quality, and efficiency of production.

It is necessary to renovate the mechanism of management over small industry and handicraft production, switch quickly and vigorously from the bureaucratic and subsidy-based system of management to the system of economic accounting, develop the built-in dynamism and subjectivism of the small industry and handicraft sector, and come up with and promulgate appropriate policies aimed at promoting increased production.

It is necessary to intensify party and state leadership over small industry and handicraft production through the conduct of the three revolutions, through various managerial measures and the system of policies and regulations, and through efforts to determine clearly the functions and duties of various sectors and echelons as well as of the cooperative system to facilitate the division of duties in guiding and managing small industry and handicraft production.

By overcoming shortcomings and carrying out satisfactorily all the basic tasks mentioned above, it is certain that the small industry and handicraft sector will be able to fulfill the planned 1985 quota assigned it by the state.

CSO: 4209/550

PARTY ACTIVITIES AND GOVERNMENT

EFFORTS IN BUILDING LOW-LEVEL ADMINISTRATIVE UNITS REPORTED

Hanoi HANOI MOI in Vietnamese 7 Jun 85 p 2

[Article by Nguyen Manh Cuong, of the Organization Section, Municipal CPV Committee: "Building Ward Level in Son Tay City"]

[Text] The Son Tay City municipal CPV committee has recently evaluated several years of ward building and drew the strong points and weaknesses of the effort.

Initial Results

I. Proper Attention Given to the Improvement of Living Conditions and Economic Management at the Ward Level

Ward party organizations affirm that this is the prime mission in order to build strong ward party organizations and in the meantime, contribute to the building of a "wealthy, vigorous, and staunchly revolutionary Son Tay City." In 4 years, through various measures and forms of providing local jobs, developing home economics, strengthening and expanding production teams, small industry and handicraft cooperatives, and ward marketing cooperatives, opening occupational training courses, setting up repair groups, building houses and producing construction materials, etc..., wards have provided employment for hundreds of workers. The two cooperatives of Dai Thanh and Dong Son alone trained and placed nearly 1,000 workers in jobs. Ward marketing cooperatives were consolidated and service networks were developed, contributing to the strengthening of socialist production relationship in handicraft. Those units acted as agents for state-operated trading companies and bought or traded 200 tons of peanuts. In addition to discharging their obligation for state capital accumulation, marketing cooperatives remitted to ward budgets 389,800 dong according to a regulated ratio. This income added to others, was used in the building of ward welfare projects, diminishing state subsidies. In Son Tay, certain wards were able to balance their budgets and a few others had and used surpluses to develop their cultural, artistic, gymnastics and sports activities.

II. Caring for Spiritual Needs, Building a New Cultural Lifestyle and Gradual Building of Civilized Wards

A new concept stems from the relationship between "building" and "fighting," in which "building" is the principal element whose achievements serve as the foundation for a good "fighting." On the basis of this premise, the basic party committee, the people's committee and people groups in the wards took appropriate measures and actions to develop cultural and health activities, such as the creation of popular entertainment troupes, political choirs, and gymnastics and sports teams, the organization of weddings and funerals in accordance with new lifestyle, urging the people to plant oriental medicine herbs, and expanding the activities of first aid stations. Ward construction teams took the initiative in launching cultural, educational and sanitation projects. Their efforts were instrumental in making the system of roads, alleys and sewers in Le Loi, Quang Trung and Ngo Quyen wards cleaner and more beautiful. The people also contributed money and labor to renovate Trang Trinh St which was nearly 1,000 m long and Lac Son St which was 300 m long. In the past 4 years, the total value of construction projects in the wards amounted to 3,964,476 dong, of which 615,000 dong came from the people's contributions and 739,700 from ward budgets.

Some Weaknesses and Shortcomings That Need To Be Overcome

1. Being a newly created government level, the wards of Son Tay City have occasionally experienced embarrassment in the discharge of their social management functions, primarily in the areas of market reform and management and urban management. In some instances, ward marketing cooperatives were not geared in the right direction for doing business, and were unable to harmonize services and business.
2. In terms of economic management and production development in particular, and the ability to use local potentialities in general, wards were not truly active and resourceful enough to develop their strength, and in certain instances, showed passivity and lack of self-confidence.
3. Some city technical sectors have not taken ward building as their objectives and as a result, there were occasionally lack of unity, confidence and inspiration for wards.
4. Objectively speaking, certain issues pertaining to functions, missions, division of work, management decentralization, staffing, and procedures and policies issued by higher echelons were sluggishly revised or completed. With the same functions and missions, for instance, certain wards had only a deputy chairman, certain other did not have specialized cadres and equipment and installations for the party organizations and committees, and their groups were not systemized, etc...Those inequalities reduced the effectiveness of ward building.

Lessons Learned

1. All levels, sectors, committees, groups, party organizations and chapters must understand clearly the ward's position, functions and missions. It is a newly created government level, therefore unfamiliarity and shortcomings are unavoidable, primarily in the areas of economic management and production development. These peculiarities have been recognized by the municipal CPV committee for the purpose of providing support and creating favorable conditions in all aspects for ward building. However, from the municipal CPV cadres to people committees, departments, sectors, groups, party organizations and chapters, there still were signs of conservatism and lack of confidence at the ward level. As a remedy, the municipal CPV committee has at certain times, had recourse to peremptory decisions and strong organizational leadership measures.

3. (SIC) Security Was Assured: Bearing in mind advantages and difficulties, primarily the complexity of the ward position in the framework of the city, ward party organizations regularly promoted political indoctrination, strengthened the police, militia, self-defense, security, red-flag youth forces and strongly boosted the popular movement for the protection of the fatherland. Wards properly controlled, educated and reformed elements with prior criminal offenses or convictions. Mischievous meeting places at ports, bus stations, Nghe Market, etc., were uncovered and properly handled. Criminal offenses declined by 20 percent in 1984, compared with 1983. Self-defense forces of three wards gained the attribute, "Resolutely Win."

4. Gradual Strengthening of Government and Groups: Fatherland Front Committee's and Groups' Activities in Conformance With Their Status and Functions

Ward party organizations recognized that the strength of ward government and groups was the foundation for the party organization's strength and acted accordingly. Therefore, besides the consolidation of front committees and groups, CPV committees saw to it that the local government apparatus be properly built. In conjunction with their specialized sections, 127 ward people's council representatives rendered their decision on ward economic plans, mobilized the people for ward building, participated in the people's activities and stayed open to their suggestions for an all-embracing building of ward people's committees. Due to this effort and although the number of cadres assigned as members of the people's committees represented only one-third of those authorized in the table of organization and equipment, basically, ward people's committees were gradually advancing to discharge their economic management functions.

5. Party Organization Strengthening Movement Achieved Progress

Ward party organizations properly put to use the capabilities and experience of various types of party members, especially those retired because of declining health. Among the 123 party chapter members of city street chapters, there were 85 retired cadres because of declining health. In 1984, ward party organization members numbered 573; except for 27 in poor

health, the others were given specific tasks. Up to the present, there has been no unsatisfactory ward party organization in Son Tay City. Three obtained the attribute of strong units.

II. Leadership Based on Central and Secondary Points

On the same premise that the ward level was a newly created unit, directives and decisions of higher echelons and the municipal CPV committee's resolutions encouraged boldness, decisiveness, sense of responsibility and learning while doing. The municipal CPV committee has beforehand created a leadership section for ward affairs and assigned specific ward work to sections, sectors and bureaus. It provided guidance in the building of central point ward, regularly followed up work distribution, and set up steady schedules for meetings, intersectional discussions, and evaluation sessions within the city leadership section and in wards. Experience obtained at the central point ward (Quang Trung Ward) was disseminated in a timely manner. In parallel with central point leadership, each ward had also a leadership team composed of principal city cadres. Mutual support between central and secondary points was achieved in a timely manner by the municipal CPV committee at intersectional meetings, specialized seminars, visitations, inspections, and learning or exchange of experience.

III. Promotion of Solidarity and Sense of Common Responsibility Between Sectors and Levels, Between Agencies and Enterprises of Central and Local Levels Stationed in the Territory

From the recognition that the ward was one of the most important units and positions vis-a-vis the city, the municipal CPV committee has directed and attracted investments of sectors, sections, and wards in ward building. Many bureaus, sections, sectors, and groups, especially enterprises (of both central and local levels) stationed in wards acknowledged that ward building was their long-range responsibility. In the past 4 years, in every form, between wards and the above units, there has been successful mutual support in the areas of material installations, advanced training, skilled worker training, job placement, and also in leadership experience, and achievements in terms of economic management, production development, and party, government and group building.

IV. On the basis of forming and completing a group of quality ward cadres, and of gradually distributing and decentralizing management work for wards since 1980 until now, the municipal CPV committee took several measures to consolidate the ranks of ward cadres under the principle that the ward was a testing and training ground for the cadres and was also a source for the formation, advanced training, and replacement of cadres for local needs and for the city. The municipal CPV committee has reinforced wards with 20 quality cadres.

Gradually distributing and decentralizing work to wards, the municipal CPV committee and the city people's committee have, at the same and in a pragmatic and forceful manner, created conditions for the wards to live up to the requirements of decentralization by regulations in the areas of organization, staffing, cadres, and systems and policies. In the framework of the city's jurisdiction and authority, more decentralization for the sake of wards is being visualized.

9458

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EXCHANGE OF EXPERIENCE IN IDEOLOGICAL, PROPAGANDA WORK REPORTED

Hanoi HANOI MOI in Vietnamese 9 Jun 85 p 2

[Article: "Exchange of Experience in District and Ward Level Ideological and Propaganda and Training Work"]

[Text] On 6 June, the municipal CPV standing committee has organized a conference to exchange experience in leadership and guidance for ideological, propaganda and training work at the district and ward levels.

Comrades Tran Hoan and Nguyen Duc Ky, members of the municipal CPV standing committee monitored the conference. Comrade Nguyen Hoang, deputy chief of the Department of Propaganda and Training of the Central Committee was in attendance and made a statement.

Comrade Nguyen Duc Ky, member of the municipal CPV standing committee and secretary of the Ba Dinh District CPV committee, Comrade Nguyen Huy Bay, deputy secretary of Hoan Kiem District CPV committee, comrades representatives of Dong Da and Hai Ba Trung districts CPV committees and of the Hanoi Cultural and Information Department, the Ba Dinh District Cultural and Information Bureau, and comrades CPV committee secretaries and chairmen of the people's committees of the districts of Dong Xuan, Quynh Mai, Truc Bach, Van Mieu, Phan Chu Trinh and Nam Dong, expressed their views and exchanged experience. Their discussion centered around a number of essential topics such as: how to communicate in the most expeditious manner party and government positions and policies to each party member and each citizen, how to closely link ideological work with political missions and with the realities of production and living conditions in the district and ward territory, how to implement an all-out party effort to do ideological work and meanwhile to mobilize the combined strength of sectors, groups, agencies and enterprises stationed in the district and ward territory to do ideological work, and how to put the cultural, information and press service activities at the service of ideological work at the base unit, etc.

In his closing remarks, Comrade Tran Hoan, member of the municipal CPV standing committee and chief of the Propaganda and Training Department, on behalf of the municipal CPV committee, commended district and ward CPV committees for, during the past time, developing their industriousness and resourcefulness, faithfully executing resolutions of the municipal CPV

committee and directives of the city people's committee, and adopting diversified and rich forms of activities, and as a result, for having successfully contributed to the accomplishment of political missions at the local level.

Based on the experience presented by representatives, Comrade Tran Hoan pointed out the following:

1. Ideological work must be closely associated with organizational work and with the popular movement for revolutionary acts.

In spite of the numerous difficulties we are still facing, whatever we say that is accurate, correct, reasonable yet affectionate, whatever we say that needs and ought to be said, will have the merit of stimulating the offensive, revolutionary spirit of the masses and of limiting the rise of passive effects.

2. Ideological work must always adhere to the following principles: to have party and scientific nature, to ensure truthfulness, and to be always closely linked to living conditions.

3. Ideological work must absolutely be done by the whole party working together, beginning with comrade leaders of CPV committees and of government and groups.

Each level and agency needs to think, study and have a good grasp of the positions and policies of higher echelons, to possess a thorough understanding of the peculiar situation and subjects of each place, at each time, and henceforth, formulate a plan with objectives, contents, and step by step implementation of ideological work in the locality and unit.

4. District and ward levels need to take active measures in continuing to employ and develop the combined strength of the rich material and spiritual potential of agencies, enterprises, sectors, and groups of the central and municipal levels stationed in their territory to do ideological work together.

5. To do ideological work, all forms and methods appropriate to each subject must be used. Word-of-mouth propaganda and club activities must be given enough attention, and in the meantime, extensively use attractive information mass media in order that ideological work go deep into the minds of the people. Ward broadcasting stations must be expanded to carry out guidance propaganda on concrete topics of interest for the base units.

6. Ideological work must always try to research and point out new issues, uncover local examples of real life individuals and anecdotes to stimulate every citizen to emulate and follow suit.

7. The ideological work mechanism must be strengthened and perfected and must become a sensitive and simple structure able to integrate the strength of the base unit.

Finally, the comrade reminded CPV committee members to regularly control and provide guidance in a timely manner in matters pertaining to organization and policies, and particularly to plan for advanced training for the groups of cadres doing ideological work at the various levels.

9458

CSO: 4209/493

ECONOMIC PLANNING, TRADE AND FINANCE

NEW PRICE-WAGE-MONEY SYSTEM PROVEN SUCCESSFUL

Hanoi NHAN DAN in Vietnamese 21, 22, 23 May 85

[Unattributed article: "Prices, Wages and Money in Long An"]

[21 May 85 pp 1, 4]

[Text] [Editorial note] For 4 years, Long An Province has experimentally abolished the complicated bureaucratic mechanism, added commodity prices to salaries, applied a monoprice policy, eliminated all types of ration stamps and coupons and begun to carry out socialist commercial activities and genuine economic accounting. Long An's experiment has been put to the test by time and the realities of life. Though some aspects still need further scrutiny, what has been done in Long An has generally brought about positive results. To contribute to the common effort to completely shift our country's economy to a new development stage and to stabilize the people's life, NHAN DAN will present Long An's experience in resolving the price-wage-money problem. [End of editorial note]

An Urgent Socioeconomic Problem

Up to 4 years ago, Long An experienced very great difficulties. During the anti-U.S. resistance for national salvation, the enemy launched many mopping-up operations in this province because it bordered on the southern part of Saigon. The fierce war destroyed everything, fields were laid waste and houses ruined and deserted. Less than 3 years after its liberation, the province had to cope with a new war of aggression at its southwestern border and the 1978 heavy flood.

The economic situation of the province deteriorated and production was beset with difficulties. The plan norms for purchase of grain and agricultural products were frequently unfulfilled because the low purchase prices were not high enough to compensate peasants for their production expenditures and to stimulate the laboring people. The state often did not have enough goods for sale and was continually short of cash.

At that time, the state sold goods at directed prices and supplied goods in kind at prices so much lower than those in the social market that the merchandise supplied was almost given free. Because of a bureaucratic, rigid pricing policy, purchase was made through arbitrary grading and

pricing of goods and sale was effected by artificially lowering prices. This policy created increasingly great price differentials, induced ever more people to enjoy and cling to the bureaucratic supply system of the state and aggravated the complicated and averaging nature of the wage system. Due to the vast scope and excessive complexity of the supply system, the state had to make up for increasing losses.

Such a complex situation gave rise to innumerable negative practices which disrupted the distribution and circulation front and deprived a number of cadres and employees of the commercial sector who made underhand dealings and became corrupt, overbearing and arrogant. The socialist commercial sector of the province could only partially meet the needs of cadres, manual and office workers and armed forces and did not have enough goods to fulfill the obligations to the central level, to sell to the masses outside the state supply scope and even to control the market and prices. The social market was dominated by private traders. Efforts to manage the market through purely administrative measures, such as prohibition, arrest and forbidding people to cross rivers and hold markets, failed to change the situation and resulted merely in causing inconveniences to the masses. The life of manual and office workers became difficult and tense. More and more workers and teachers quit their jobs. Workers did not have their minds at ease while performing production and their labor enthusiasm and discipline dwindled. State economic units were hampered and often tied up by the complicated bureaucratic mechanism while many collective and individual economic units could act freely and make a large profit. Due to the failure to produce and acquire a sufficient quantity of merchandise, most goods were sold by the state at prices lower than their purchase prices; consequently, currency turnover was scarce and slow through the banks, which resulted in a shortage of cash. From the financial point of view, the local budget had to rely on the central level's aid to maintain a precarious balance between income and expenses.

The Long An provincial party committee decided that abolishing the complicated bureaucratic system of prices, wages and money in the province would be a hot, urgent socioeconomic issue. These problems should be solved to develop the laboring people's collective ownership system, to find a way out of a passive and difficult position, to exploit all potentials, to control merchandise and money and to achieve a cash balance between budget income and expenditures so as to be able to step up production and improve the people's living conditions.

Major Policies

Long An found that many categories of goods which were not in short supply in the social market in the provincial area were constantly scarce in the state-operated sector primarily because the complicated bureaucratic system of prices, wages and money was inconsistent with [economic and financial] laws and the realities of life. This complicate mechanism was an obstacle to normal economic activities, hindered production development and made the laboring people's life difficult. Solving the price-wage-money problem would be a very complex task which should be coordinated with reorganizing

and developing production, mastering the market, stepping up the socialist transformation of agriculture and private industry and trade, and taking firm hold of merchandise and money. However, Long An did not consider these tasks to be prerequisites to be fulfilled prior to solving the price-wage-money problem; instead, it held that to have these prerequisites, it would be necessary immediately to abolish the complicated bureaucratic system of prices, wages and money; and it believed that once this system was done with, it would be possible to promote production development, to take hold of merchandise and money and to master the market. From this viewpoint and in light of the Party Central Committee resolutions, the Long An provincial party committee has intensively guided the implementation of the following major policies:

First, it is necessary to work out a correct method of buying grain and agricultural products from farmers. In this respect, the province has proceeded in two ways, the first being to buy on contract according to which the state supplies in advance some principal materials, such as fertilizer, insecticide, gasoline and oil to peasants, cooperatives and production collectives.

In this way, peasants can take the initiative in production while the state can take hold of commodities and no longer needs to use cash. After the harvest, peasants will deliver grain and agricultural products to the state according to the per capita tonnage indicated in the contract. Long An absolutely does not include consumer goods in the contract signed with farmers.

For products not mentioned in the contract, the state buys them at really agreed prices to fully compensate the producer for his production expenses and to enable him to make a reasonable profit; in this connection, the situation of supply and demand and market prices during specific periods of time are also taken into consideration. This is the normal commercial method based on prices agreed by both the state and the peasantry depending on each purchase and sale period; the state pays only cash to peasants and the latter buy goods from the state at commercial prices. With this correct pricing policy, this sound buying and selling method and this convenient trading organization, peasants have found that they do not sustain any loss and inconvenience in dealing with the state; therefore, they have enthusiastically sold grain and agricultural products to the state even though the prices agreed with the state are usually 10 percent lower than those in the free market. This is also an indication of the peasants' patriotism and their love of socialism.

This buying and selling method has also made it possible to eliminate negative practices among state agencies and peasants and to remove loopholes which private traders have taken advantage of to rebuy and resell goods to make a profit.

The second major policy implemented by Long An involves the addition of commodity prices to salaries and the state sale of goods at unique prices. By applying unique prices throughout the province, the state sells goods to

society in the normal way and does away with all types of ration stamps and coupons, thus putting an end to a situation which has been exploited by corrupt cadres and employees and dishonest traders to deal in stamps and coupons. Owing to this working method, it has been possible to check negative practices, to maintain market prices, to manage all strata of people, to rapidly collect money for the state and, consequently, to abolish the prevalent and complicated administrative mechanism of supply, to ensure the budget balance between income and expenses, to pay cash to meet the increasing purchase requirements, to make savings for the state merchandise fund and to stabilize the life of cadres and manual and office workers.

By shifting from the distribution of goods in nature in lieu of wages to the payment of salaries only under the monetary form, by replacing the application of many irrational prices with the monoprice policy and by resolutely abolishing the complicated bureaucratic mechanism, it will be possible to develop the laborer's right to socialist collective ownership, to completely change the socioeconomic situation, to diminish false needs and merchandise shortages and to reduce the siphoning of state goods into the free market.

The third major policy which is being tested by Long An consists of applying the monoprice policy and adding commodity prices to salaries and, on this basis, gearing the state commercial sector and other socialist economic ones toward socialist commercial activities and true economic accounting. This working method requires that the true production expenditures which have for long been omitted be entered exactly in the books, that production and business activities bring about a real result and that the state budget refrain from making up for losses, except in some specific cases of need.

Only by doing so can one ensure that the satisfactory purchase of agricultural products and the implementation of the policy of monoprice and addition of commodity prices to salaries fully exercise a positive effect. Only by doing so can one transform installations, enterprises, shops, corporations and the laboring people into true masters of production and trade and compel everyone to ponder working methods, to display dynamism and creativity and actively to exploit all potentials to increase labor productivity, to improve quality and to lower production cost, thereby bringing about great economic effect.

[22 May 85 pp 1, 4]

[Text] Result of Addition of Commodity Prices to Salaries and Application of Monoprice Policy in the Past 4 Years

At the outset, the working method adopted by Long An raised many questions. Even now many people living far from Long An still ask the same questions: Are there enough merchandise and money to add commodity prices to salaries? In view of the vast free market, is the monoprice policy adventurous and applicable? Is the subsistence of cadres, workers, office employees and the armed forces assured? What will be done to stabilize their life when market prices fluctuate? Will the unique commercial price push up the

market price and cause disturbances and difficulties to localities bordering on Long An? Is it advisable to maintain the dual price policy? Will the inclusion of wages supplemented by commodity prices in the production cost and economic accounting raise the manufacturing cost and retail price excessively? There are many other questions: This policy can be implemented in Long An because it is a small province with few cadres and manual and office workers but can it be applied in large cities with many cadres and manual and office workers? It can be implemented in the southern localities which abound in merchandise but can it be applied in the northern areas where commodities are scarce?

These worrisome questions can be partly answered by the result obtained by Long An after adding commodity prices to salaries and implementing the monoprice policy over the past 4 years.

It must be reiterated that the above-mentioned solution of the price-wage-money problem by Long An stemmed from its belief that the complicated bureaucratic mechanism and price-wage-money policies were inconsistent with [economic and financial] laws and actual facts of life and therefore led to negative consequences in the economic situation and people's life. The pricing policy neither conformed to the law of value nor took supply-demand relationships into consideration in fixing prices in a subjective manner, thus creating ever-greater discrepancies in prices. Failing to provide the minimum living standard for salaried people, the wage system was highly complicated and based on averaging. Therefore, all localities looked for sources of income above and beyond wages to compensate for the salaried people; ultimately, these supplementary incomes were drawn from the merchandise and material fund of the state and took advantage of price differentials. In adding commodity prices to wages and applying the monoprice policy, Long An has thoroughly understood the spirit of the party Central Committee resolutions on the elimination of excessive bureaucracy and on the complete shift to economic accounting and socialist trade.

The soundness of the agricultural product purchasing method and the improvement in the state-peasantry relationships have led to heartening results: Peasants have shown more enthusiasm for production and the state has been able to take hold of a large volume of commodities. Long An Province has employed the method of contractually buying grain and agricultural products from peasants; on the other hand, the state has supplied production materials in advance to peasants, bought from them the grain and agricultural products left over from the contract execution; this kind of purchase has been made at prices agreed with peasants and somewhat lower than the free market ones and the state has paid cash in full. Production has developed continuously in recent years despite unfavorable weather conditions and natural calamities. Every year, the purchase of and control over grain and agricultural products have surpassed the norms achieved in the previous one and have made it possible to meet local needs and also to fulfill ever greater obligations to the central level. Following are figures on the economic activities of the province:

Production: The agricultural production value was 221 million dong in 1980 (based on prices fixed in 1970) and 2,279, 000,000 dong in 1984 (based

on prices fixed in 1982). The industrial production value was 25 million dong in 1980 (based on prices fixed in 1970) and 911 million dong in 1984 (based on prices fixed in 1982).

The amount of agricultural products mobilized was as follows: Grain, 17,000 tons in 1979 and 138,000 tons in 1984; pork, 265 tons in 1979 and 7,200 tons in 1984; sugar, 254 tons in 1980 and 3,578 tons in 1984; fabrics, 2,232,000m in 1980 and 5,439,000M in 1984.

The amount of goods delivered to the central level was as follows: Grain 3,500 tons in 1979 and 115,000 tons in 1984; pork, 68 tons in 1979 and 4,219 tons in 1984; sugar, 400 tons in 1980 and 2,300 tons in 1984.

Because of the large amount of goods procured, the province could export more merchandise and import more raw materials for production, such as 50,000 tons of chemical fertilizer, 500 tons of insecticide, 500 tons of gasoline and oil, 600 tons of fiber, and so on. In the past few years, peasants have accepted the agricultural product purchase prices fixed by the province; they have produced enthusiastically and given up the pre-1980 habit of destroying pineapple and sugarcane crops; the bad practice of exploiting peasants through usury and early purchase of rice crops prior to their harvest has been almost eliminated.

Wages, Money and the Salaried People's Life

By taking hold of goods, delivering them to the central level and exporting and exchanging them and by associating with other provinces and cities, Long An Province has increased the stock of goods for retail sale to the provincial people--especially cadres, workers, office employees and the armed forces. This unified stock is composed of goods produced by the province, supplied by the central level and imported by the province through the medium of foreign trade organizations subordinate to the central level and to localities associated with the province.

After procuring enough goods for sale and actively expanding the socialist commercial network to set up enough buying places for cadres, workers, the armed forces and people, Long An has applied the normal method of selling merchandise at commercial retail prices, nullified all kinds of ration stamps and coupons and fixed uniform selling prices for people of all walks of life. The province has added commodity prices to salaries of cadres, workers and members of the armed forces in exact proportion to the goods that should have been supplied to them; these supplemental prices are equal to the retail ones fixed by the province for each specific period of time and are applied throughout the province and based on the retail prices of the same goods of average quality currently sold at the city market but neither on the prices of the same goods of the lowest quality nor on the lowest prices applied in certain areas.

From 1980 to date, the province has six times readjusted the commodity prices supplemental to wages following a price rise in the nationwide market and in the Ho Chi Minh City area.

After wages have been supplemented by money, the purchase and sale of goods have been normalized and an end has been put to the use of ration stamps and coupons, to troublesome formalities and to hardships previously endured by buyers; cadres, workers and office employees have become masters of their own salaries, which has resulted in a substantial saving of social labor and time spent on standing in line, arranging registers and seats, and waiting. Cadres and workers are free to buy or not to buy, free to choose high-, average- or low-quality goods and free to buy them anywhere and whenever they think fit. Thus, inwardly, buyers no longer have to entreat, fear and thank the personnel of the state commercial sector. Better still is the fact that this working method has eliminated so many false social needs for certain commodities and limited negative practices in the commercial sector.

Though not yet plentiful and adequate in all respects, the life of cadres, workers, office employees and the armed forces is now much more comfortable, stable and happier than before the addition of commodity prices to salaries; everyone can now freely make expenses for himself and his family as he sees fit.

From the financial and monetary point of view, for 4 years at a stretch, the provincial budget has been well balanced and accounts have been closed every year showing an increasing surplus, credit and debit. The principal credit items have increased rapidly. For example, in 1983, the income of the state economic sector was seven times greater than that in 1980; in 1984, it was four times greater than that in 1983. The contribution of the provincial budget to the central one has fulfilled and even overfulfilled the yearly plan norm.

The amount of cash collected through the bank has also increased: In 1983, it was nine times larger than in 1980, 2.7 times larger than in 1981 and 1.4 times larger than in 1982; in 1984, it doubled that in 1983.

[23 May 85 pp 1, 4]

[Text] Experimental Inclusion of Production Expenses in Product Manufacturing Cost

In pursuance of the resolution of the Sixth Plenum of the party Central Committee (Fifth Session), Long An did not stop after adding commodity prices to salaries and applying a monoprice policy; instead, it started improving production management, including all expenses in production cost and performing full economic accounting in production. The provincial party committee realized clearly that if the dual price system was maintained under whatever form, excessive and complicated bureaucracy--that is, negativism--would persist within society, which would preclude adequate economic accounting and real commercial activities and even cause serious budget and monetary imbalance. Because of the state inability to compensate for price differentials, losses and low salaries, it would never be possible to expand reproduction. Only by clearly understanding the actual production situation and the real expenses incurred by production could one formulate

a correct and effective production and business method. In concealing the real expenses and fixing a falsely low production cost, the excessively bureaucratic system and accustomed production units and laborers to rely on the state and neglect economic effectiveness, merchandise quality and product marketability because they would expect the state to sustain all losses.

The Long An provincial party committee believed that there should be a real revolution within the economic management mechanism and also a fierce conceptual struggle between the determination to abolish the excessively bureaucratic mechanism and the insistence on maintaining it, between a full and genuine economic accounting and a superficial and formalistic one and between the socialist business method and one conducted regardless of losses. At the outset, many people feared that the inclusion of all expenses in the product manufacturing cost would raise it excessively and make the retail price higher than that in the free market. But after analyzing and considering all aspects, the provincial authorities found that the proposed method was most conformable to [economic and financial] laws and was also required by the realities of life. The provincial party committee issued a resolution dealing specifically with management innovation, with a complete shift to socialist accounting and business methods and with organizing an intensive and extensive study of this policy by cadres and party members--especially by all cadres of various provincial and district sectors and enterprises. Afterward, the provincial party committee set up three committees to guide management improvement and three units to guide three sectors: industrial, agricultural, and distribution and circulation.

At the outset, the province chose three industrial enterprises to experimentally include all expenses in the product manufacturing cost; they are the textile, wood processing and pharmaceuticals enterprises.

In this article, we will present only the initial result of the inclusion of all expenses in the production cost by the Long An Textile Enterprise which has applied this policy in the past few months.

Following is the method of calculating the production cost after including full salaries (V), capital depreciation (C1) and material consumption (C2):

Including full salaries (V) in production cost means taking into account the wages paid in cash, the wages paid under the form of commodity supplies which are now converted to their monetary equivalent, the allowances granted to the night shift and noxious jobs and now converted to their monetary equivalent, and finally the monetary equivalent of the rations supplied to each dependent.

To include all capital depreciations (C1) in the production cost, it is necessary to reevaluate the fixed assets, to accurately fix their prices according to the current and actual ones and to redetermine the new assets which are still depreciated and the old ones which have been completely depreciated.

To include all material expenses (C2) in the production cost, it is necessary to calculate them according to the actual-import-export price rates fixed for the first quarter of 1985 and for the whole year: 10 dong for 1 kWh of electricity, 35 dong for 1 liter of oil, 40 dong for 1 liter of gasoline, and so forth.

Material expenses have increased 43.36 percent (a small increase because fiber price has been calculated according to its real import price in the past years.)

Following the inclusion of all production expenses, the manufacturing cost of cloth has increased 46.18 percent throughout the enterprise, with the highest increase of 200 percent for a type of cloth called "Sobeca" and the lowest one of 27 percent for another one called "Dedoca."

However, the new retail price of cloth is still 14 to 90 percent lower than the commercial price in the market.

The three interests are assured in the following manner:

Capital Accumulation For the State:

| | 1984 | 1985 | Increase Percentage |
|----------------------|-----------------------|-------|---------------------|
| | (in millions of Dong) | | |
| | 79.8 | 100.1 | 20 |
| Profit | 7.5 | 13.8 | |
| State income | 71 | 82 | |
| Capital depreciation | 1.3 | 4.3 | |

Moreover, the state has reaped an additional profit because it no longer has to disburse 233 million dong every year to make up for the loss incurred by 6 million m of cloth (it will make a profit of 7.6 million m of cloth).

Capital Accumulation For the Enterprise:

| | 1984 | 1985 | Increase Percentage |
|----------------------|-----------------------|------|---------------------|
| | (in millions of Dong) | | |
| | 7.3 | 18.1 | 148 |
| Profit | 7.3 | 13.8 | |
| Capital depreciation | | 4.3 | |

Average Monthly Salary of a Grade 4/5 Worker (In the past, the highest per capita output was 631 M a month):

| | 1984 | 1985 | Increase Percentage |
|--|------------|------------|---------------------|
| | 1,380 dong | 2,041 dong | 47.09 |

Saving of Energy and Materials:

In the past, 272,000 kWh of electricity were used; at present, only 98,000 kWh are used.

It must be added that labor productivity in the enterprise has increased by 10 percent and that its personnel has been reduced by dismissing 17 persons indirectly engaged in production.

In practice, what has taken place is as follows: The complicated bureaucratic method and fostered the wasteful use of raw materials, energy and supplies and led to the tendency to raise production cost while applying the new method of accurately assessing values and including all expenses in the production cost is contributing to developing thrift and making business activities truly effective. Therefore, it is necessary, at the outset, to include all expenses and, in the end, to determine the sale price of each kind of goods by applying the law of value and the policy in force and by estimating the people's buying power and the product marketability. If the consumers are cadres, workers and office employees, measures must be taken to solve the wage problem satisfactorily in order to ensure their subsistence.

Since profit has been derived from production and commercial activities, the state no longer has to make up for losses and since the wages of production and business personnel have been included in the production cost, the provincial budget can set aside enough money to pay the salaries of the purely administrative personnel.

In short, the inclusion of all production expenses in the product manufacturing cost in pilot enterprises in Long An has not caused any disturbance; on the contrary, economic activities have exercised a greater effect than in the past—let alone many political and social benefits.

Some Conclusions Drawn from Long An's Experience

After experimenting with this new mechanism for 4 years, Long An has only obtained some initial results and is still encountering difficulties especially because some important economic policies are yet to be decided by the central level. However, the following achievements have become obvious to everyone: For the first time, production installations and laborers are really masters of production and business; they have shown enthusiasm, initiative and dynamism in pondering working methods and have paid attention to productivity, quality and effectiveness. Distribution is more rational and equitable. Cadres and workers are really free to spend their salaries to meet their personal needs. Negative practices have decreased while discipline and law are enforced more strictly. Long An's experience has demonstrated that adding commodity prices to salaries and implementing the monoprice policy is more rational and beneficial than maintaining the system of supplying low-priced goods and applying the dual-price policy. Only by firmly abolishing the complicated bureaucratic mechanism and flexibly implementing the monoprice policy can we develop production and trade, perform genuine economic accounting and gradually eliminate the tense situation of merchandise, budget and cash.

Solving the price-wage-money problem must not be dissociated from reorganizing and developing production, intensifying transformation and

taking firmer hold of commodities, money and the market. This does not mean, however, that we must take action only when these conditions are fully met; on the contrary, it is necessary to create these conditions by starting to solve the price-money-wage problem through eliminating the goods supply system. Solving this problem is a decisive factor in developing production and trade.

Implementing the new management mechanism is a fierce struggle in matters of viewpoint, concept and attitude. Once the party committee has formulated a program of action, it is necessary to carry out the ideological task immediately and intensively to achieve identity of views and uniformity of action within the party and the administration, especially among key cadres; to act with high determination, to organize the apparatus and to assign qualified cadres to operate the new management mechanism.

Implementing the new system of prices, wages and money is a major and complex task which must be carried out urgently and boldly. However, it is necessary to make careful calculations, to organize close and strict guidance, to remove all obstacles quickly and to help the low level--especially production installations--overcome difficulties.

Long An has provided this outstanding overall experience: If we resolutely do away with the complicated bureaucratic mechanism and shift completely to the socialist accounting and business method, we will be able to develop production and business, to accumulate capital for increasingly expanded reproduction, to develop economy normally, to stabilize and improve the people's life and to make an important contribution to building and defending the socialist fatherland.

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ECONOMIC PLANNING, TRADE AND FINANCE

INDUSTRIAL-COMMERCIAL TAX COLLECTIONS AHEAD OF SCHEDULE

Hanoi QUAN DOI NHAN DAN in Vietnamese 15 Jun 85 pp 1, 4

[VNA News Release: "Tax Collections in First 5 Months of 1985 Amount to 46 Percent of Annual Plan"]

[Text] To date the national industrial-commercial sector has managed and placed on the tax rolls 550,000 individual households who are engaged in business full-time and nearly 32,000 collective installations of many sectors and trades. In 1984, the second year in which the industrial-commercial tax law was in effect, sector surpassed its plan by 32.1 percent and increased actual tax receipts by 52.8 percent over 1983. The two key types of tax--the commercial turnover tax and the income tax--attained higher levels than in the period prior to the law. During the first 5 months of the year the sector attained 46 percent of its 1985 tax collection plan.

The local tax branches set specific norms, began to implement their tax plans at early dates, and concentrated forces on inspecting and controlling the businessmen, brought more merchants into the tax collection management category, adjusted the license categories, adjusted the tax collection on incomes and the profit ratios so that they can be appropriate to the actual incomes. The sector increased the number of merchants in the high-level licence tax collection category, increased the number in the mid-level license tax collection category, and reduced the number in the low-level licence tax collection category by 12 percent. Therefore, the amount of licence tax collected increased although the number of individual merchants declined by nearly 30,000. In view of the steadily increasing prices, the industrial-commercial tax sector has changed its method of managing the collection of commercial turnover taxes and income taxes, set monthly commercial turnover and income norms for each businessman, combined the review of accounting books with spot inspections, and adjusted monthly commercial turnover figures to match the actual commercial situation. Many localities have done a good job of setting up and auditing monthly tax books and collecting taxes according to those books. Therefore they have been able to monitor the tax collection situation in a more timely manner, overcome the phenomenon of holding back monthly tax payments, and limited the arbitrariness of cadres when collecting taxes. The sector surpassed its plan norms regarding commercial turnover and income taxes by 26 to 30 percent.

The sector has reorganized the tax collection stations, eliminated the mobile inspection teams and units organized by the villages and subwards, and increased the number of cadres with good virtue and experience in tax collection management working at the key stations and at places where goods are loaded or unloaded in order to collect the full amount of commercial shipment taxes without creating hardships for the people. Thanks to tight management the sector surpassed its plan norm regarding the collection of commercial shipment taxes by 22 percent.

However, recently a number of problems have been encountered in collecting industrial-commercial taxes and many sources of taxes have not been tightly managed, so large sums are still uncollected. According to a general inspection, 30 to 40 percent of the businessmen are still not managed with regard to the collection of license taxes and the turnover and fixed tax levels of businessmen engaged in commerce and catering on a large scale are only 60 to 70 percent of the actual amounts. There is still a big shortfall in the collection of commodity taxes because many places have not done a good job of managing collections at the places of production; most are still collected during the circulation phase. As regards businessmen who cooperate commercially with the state, because the tax organs have not fully grasped the situation and the local governmental administrations have not created conditions for the tax cadres to collect taxes or have allowed the commercial installations to ignore the stipulated tax rates and schedules when paying taxes, there has been a serious decline in tax collections.

The national industrial-commercial tax sector is taking positive steps to more tightly manage tax collections and increase the amount of tax money collected for the state budget.

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ECONOMIC PLANNING, TRADE AND FINANCE

PROBLEMS OF PORK SUPPLY IN NORTHERN PROVINCES DISCUSSED

Hanoi QUAN DOI NHAN DAN in Vietnamese 10 Jun 85 p 3

[Article by Tran Dinh Ba: "Problems Regarding the Supplying of Pork and Ways To Resolve Them"]

[Text] Editor's Note: Why are difficulties being encountered in the supplying of pork in Hanoi and the northern provinces? What are the main reasons for the shortages? Does the commercial sector have ways to overcome those problems? What are the prospects for supplying pork in the coming months? In order to understand QUAN DOI NHAN DAN correspondent worked with many functional organs of the Ministry of Home Trade and the Hanoi commercial sector which are responsible for buying and distributing perishable foods.

The Second Quarter Bottleneck

Hogs and pork are principal sources of daily food. Pork is rationed, but at the same time pork prices are undergoing the greatest changes in Hanoi and the northern provinces. We all know that nearly all of the pork is produced by the rural sector and supplied by the peasants. Therefore, that product is clearly seasonal in nature. Every year there are two times when much pork is bought: during Tet (a few months after the 10th month harvest) and at the beginning of the third quarter). Because of its seasonal nature, during the second quarter of every year the purchasing and distribution of pork is extremely tense. After the second quarter "bottleneck" has passed the purchasing and distribution of pork is carried out freely until the end of the year, after which the cycle is repeated.

During this year's second quarter, which is also governed by the second quarter "bottleneck" law, pork underwent even more complicated, tense, and fierce changes. Were they caused by a decline in hog raising?

In order to facilitate comparisons with regard to hog raising we have provided the data below. According to an inventory of hogs carried out on 1 April 1984 and 1 April 1985 in a number of areas, including the cities and concentrated industrial zones, the delta provinces, Zone 4, the midlands region, and a number of northern border provinces:

1 April 1984

1 April 1985

| | | |
|--------------|---------|---------|
| Hanoi: | 403,305 | 396,615 |
| Hai Phong: | 230,000 | 233,457 |
| Ha Nam Ninh: | 613,397 | 596,635 |
| Thai Binh: | 378,000 | 361,118 |
| Nghe Tinh: | 759,176 | 788,124 |
| Quang Ninh: | 149,972 | 157,431 |
| Bac Thai: | 221,481 | 237,991 |
| Lang Son: | 139,954 | 157,404 |
| Ha Tuyen: | 272,642 | 271,820 |

In four of those nine localities--Hanoi, Ha Nam Ninh, Thai Binh, and Ha Tuyen--the number of hogs declined by a total of 40,976. In five localities--Hai Phong, Nghe Tinh, Quang Ninh, Bac Thai, and Lang Son--the number of hogs increased by a total of 73,824. If those statistics are accurate, the total number of hogs in the nine localities did not decline, but increased by more than 30,000. According to statistical data, the total number of hogs nationwide also did not decline, and the number of meat hogs increased. The production sector did not decline, so must not the present difficulties regarding pork have arisen from state purchasing to control the supply of goods?

In analyzing the situation of state purchasing to control the supply of pork and the amounts mobilized for the central echolons in the localities north of Nghe Tinh, three time periods may be used to make comparisons: January 1984 and January 1985, February 1984 and February 1985, and May 1984 and May 1985. We have the following data: in January 1984 the northern localities purchased 11,600 tons and mobilized for the central level 3,100 tons. In January 1985 those figures were 12,000 tons purchased and 3,700 tons mobilized for the central level. In February 1984 5,500 tons were purchased and 1,100 tons were mobilized for the central level. In February 1984 5,500 tons were purchased and 1,100 tons. In February 1985 5,100 tons were purchased and 700 tons were mobilized for the central echelon. In May 1984 7,200 tons were purchased and 1,100 tons were mobilized for the central echelon. In May 1985 4,700 tons were purchased but only 300 tons were mobilized for the central echelon! Foodstuffs Corporation No 1 of the Ministry of Home Trade had to distribute the 300 tons of pork among the major categories in accordance with the following order of preference: Hanoi, the armed forces in the border provinces, such concentrated industrial zones as Quang Ninh and Thai Nguyen, etc. In the past, when there was a relatively ample supply of pork, every day the Hanoi commercial sector slaughtered and average 60 tons of hogs, a figure which rose to 250 tons a day during the recent Tet period. In Hanoi, the second quarter consumption needs are 6,000 tons of live hogs and 500 tons owed for the first quarter. It is estimated that Hanoi will provide 3,520 tons and the central echelon will supply 2,086 tons (including 800 tons of fat in place of meat). If those estimates are correct, in the second quarter Hanoi alone will fall short by 900 tons of live hogs.

Due to the serious decline in the supply of foodstuffs, although Food Corporation No 1 and the Hanoi commercial Service have made many efforts and taken a number of positive steps to develop additional sources of new

products, such as frozen meat, liquid fat, dried fish, and Chinese sausages in nearby provinces and in the southern provinces, due to limitations with regard to prices, POL, and transportation facilities those additional goods cannot fill the excessively large "hole," for the amount mobilized for the central echelon by the localities is too small.

Understand the Reasons and Methods for Overcoming Problems

For many years now, in order to create conditions and encouraging the people to develop hog raising and sell much pork to the state. The Party and state have issued a whole series of policies. Council of Ministers Decision 04 eliminated the obligatory selling of pork and stipulated that from now on the peasants will only sell pork to the state at negotiated prices and in accordance with two-way contracts.

Due to the subsidy mechanism and the stagnation in the state purchasing of pork for many years now, a widespread buy pork from the people but do not have money, paddy, and goods to immediately pay the people, and sometimes debts remain unpaid from one year to another. In Hanoi alone the people are still owed 57 million dong for pork purchased in previous years. That is not to mention 200 tons of paddy Thanh Tri District owes the peasants. Due to a shortage of money, nearly all of the localities apply the policy of the "compulsory depositing in savings accounts" of 50 percent of the money obtained by the people for selling pork. Our people, with all their patriotism and deep sympathy for the nation's difficulties, especially those of the members of the armed forces who are fulfilling combat missions and defending the homeland, continue to happily accept that loss. Therefore, in recent years, although the state has lacked money and goods it has still been able to concentrate a relatively stable source of pork to supply to cadres, workers, civil servants, and members of the armed forces.

In that situation, Decision 04 was issued and the peasants no longer had restricted by the obligatory selling of hogs. If state is to control pork to supply the nonproduction sector and the armed forces, it is essential that the state have money and goods to carry out two-way economic contracts.

We all know that although Decision 04 was promulgated on 8 January 1985 the State Price Commission did not promulgate a list of state pork purchasing prices until 22 April 1985. That list stipulated the following state purchase prices for the various kinds of live hogs in the different areas:

The price for hogs weighing 40 to 50 kilograms in 100 dong per kilogram in the Bac Bo delta provinces, 95 dong per kilogram in the Zone 4 provinces, 105 dong per kilogram in Hai Phong, and 110 dong per kilogram in Hanoi. As regards hogs weighing 60 to 70 kilograms, the price increased 10 dong per kilogram. On the average, five kilograms are required to produce a kilogram of pork. At the time when the new prices for the state purchasing of live hogs the price of grain was quite high, to the point that two or three kilograms of paddy equalled the price of a kilogram of pork on the hoof, because the price of live hogs on the free market increased to 150 to 220 dong per kilogram. Because the price stipulated by the state were not appropriate to the price fluctuations on the market, the commercial sector cannot buy live

hogs from the people and when localities are able to purchase live hogs they are retained for local consumption and not mobilized for the central echelon because there are no funds for making up for deficits.

We believe that the implementation of Decision 04 does not mean that the localities no longer have the obligation of turning over pork to the central echelon. Directive 19 of the Party Central Committee stipulated that 15 percent of the cultivated land be set aside for the agricultural cooperatives to develop hog raising. How is that directive related to Decision 04?

According to statistics of the functional organs, the total number of hogs has not declined and the number of meat hogs has increased. But the number of sows has declined, in some localities to a serious extent. Thai Binh and Ha Nam Ninh provinces have rather large numbers of hogs and every year mobilizes a large number for the central echelon. According to a survey carried out on 1 April 1985 the number of hogs in Thai Binh increased .7 percent, while the number of sows declined 28.8 percent. In Ha Nam Ninh the number of hogs increased 2.3 percent but the number of hogs declined 24.3 percent. The decline in the number of sows will have the harmful effect of causing the number of meat hogs to decline in the future. If no steps are taken to increase the number of sows the number of meat hogs will decline seriously in future years and it will therefore be difficult to develop state purchasing to control the sources of pork.

Is it that the policy makers must pay more attention to hogs, especially commodity hogs?

5616

CSO: 4209/513

AGRICULTURE

MASSES ENCOURAGED TO HELP TRANSFORM AGRICULTURE IN SOUTH

Hanoi QUAN DOI NHAN DAN in Vietnamese 11 Jun 85 pp 1, 4

[VNA News Release: "Masses Encouraged To Contribute To Essentially Complete the Socialist Transformation of Agriculture in the Nam Bo Provinces"]

[Text] On 5 and 6 June the Vietnam Fatherland Front Central Committee held a conference to discuss strengthening the work of encouraging the masses to contribute to serving the essential completion of the socialist transformation of agriculture in the Nam Bo provinces and cities by the end of 1985.

Participants in the conference included leadership comrades in the Central Committees of the Vietnam Fatherland Front, the Agricultural Department of the Party Central Committee, the Ministry of Agriculture, the Trade Union Federation, the Collective Peasants Association, the Women's Federation, and the Ho Chi Minh Communist Youth Union organizations in 14 provinces, municipalities, and special zones in the former Nam Bo.

Comrade Huynh Tan Phat, Chairman of the Presidium of the Vietnam Fatherland Front, a member of the Party Central Committee, and Vice Chairman of the Council of Ministers; and Vu Oanh, a member of the Party Central Executives and head of the Agricultural Department of the Party Central Committee, presided over the conference.

Chairman Huynh Tan Phat stated that by the end of April 1985 there were in the former Nam Bo region nearly 33,000 production collectives and 541 cooperatives, and 75 percent of the peasant households and 71 percent of the cultivated area have been brought into collective production. The transformation of agriculture, tied in with the development of districts and the building a new countryside, is developing well. Four provinces and municipalities have been recognized as having essentially completed the cooperativization of agriculture: Tien Giang, Ho Chi Minh City, Ben Tre, and Tay Ninh. The Front and the mass organizations have made many all-out efforts to encourage the peasants to participate in adjusting the land in the rural areas. The chairman stressed that the immediate missions of the Front and the component mass organizations are to cooperate closely with the sections and sectors and stepping up the campaign for the masses to build and consolidate production collectives and cooperatives in a stable manner, while building and strengthening the district echelon. Between now and the end of 1985 the

provinces in the former Nam Bo provinces must endeavor to essentially complete the cooperativization of agriculture, principally in the form of production collectives, and attain the goal of 75 percent or more of the area and the households entering into collective production in the grain-growing areas. The intensive cultivation, added season areas, must attain 80 to 85 percent or more, consolidate and improve the quality of the existing collectives and cooperatives, develop the strengths and overcome the remaining weaknesses of the movement, and ensure that cooperativization advances stably.

The conference heard the representatives of Ho Chi Minh City, the provinces of Tien Giang, Long An, and Minh Hai, and the villages of Gia Tan 1 (Dong Nai), Tan My, and Hao Duoc (Tay Ninh), and a number of other localities report on their initial results in the socialist transformation of agriculture, in building a new countryside, and in consolidating the revolutionary administration at the basic level.

The conference approved a resolution stating that the urgent mission at present is to encourage the masses to enter production collectives and consolidate and improve the quality of production collectives. The existing cooperatives have the goals of essentially completing agricultural cooperativization in 1985, doing a good job of propagandizing, educating, and encouraging the peasants and helping the peasants voluntarily enter onto the path of collective production and participate in marketing cooperatives and credit cooperatives. They must discover progressive people in the movement and recommend to the local party committee and governmental administration so that they can be cultivated and become cadres management cadres. They must recommend that cadres who lack ability and virtue and do not have the confidence of the masses be dismissed from their positions, coordinate the continuous inspection and oversight of the implementation of policies and management systems in every production collective and cooperative, and ensure the collective mastership right of the peasants in production and distribution. The Front committee and mass organizations at all levels, especially the basic village and subprecinct level, must be strengthened to create a solid basis on which the Party and government can carry out agricultural cooperativization.

5616

CSO: 4209/514

AGRICULTURE

'CONTRACT POLICY' IN WATER CONSERVANCY ORGANIZATIONS

Hanoi NHAN DAN in Vietnamese 27 Mar 85 p 2

[Article by Tran Xuan Hoa: "Lang Son Water Conservancy Company Salary Payments for Product Contracting"]

[Text] The Lang Son Province Water Conservancy Construction Company founded in 1978 is responsible for water conservancy projects in the 11 highland districts and cities including 6 districts adjacent to the border. During the war of aggression in February 1979, the hegemonists destroyed almost all water projects and pirated much property belonging to the company. Faced with this situation the Lang Son Province Water Conservancy Construction Company had to rebuild, rehabilitate and repair the damaged water conservancy projects while building new projects.

The company modified its work methods and applied product contract salary to develop revolutionary fervor and the labor capabilities of all cadres and workers.

Since 1980 the company vigorously implemented the mechanism for product contracts in water conservancy building, and since 1981, with Decision 26-CP of the Council of Ministers, the company steadily expanded and gradually improved contracting quality. Thus, during the past years, the company continually exceeded planned objectives. The yearly output value gradually increased: in 1982 it reached 2.4 million dong, surpassing by 13 percent the planned level. In 1984 it reached 5,054,500 dong (10 percent beyond the 1984 plan).

In order to produce with ease, the company established mechanized, construction, assembly and transport teams, maintenance and repair shops, stone quarry groups, and prefabricated concrete sewers producing crews. Almost all these workers are young, healthy and responsible men, trained in techniques and aware of good discipline. Besides carrying out the principal plan, the company has organized supplementary production work force to produce sand, lime and bricks, providing the majority of its supplies and utilizing the whole work force. The company's indirect labor force is also very lean, with only three departments: planning and technics, finance and administration, organization, labor and salary.

The company leadership understands that with the application of salary contract payment, labor productivity increases, the sections and teams will

rearrange work in line with production responsibilities and those who do not qualify to work in the production lines will be returned to the company. Hence it is necessary to find concrete solutions, create more jobs and organize supplementary production. On the other hand, the company expands its relationship with related units to coordinate the transport of materials and the rapid unloading of ships and trucks, freeing docks and parking lots, to integrate two-way movement of goods, to create additional jobs, to fully utilize labor potential, stabilize areas of operation, organizations and, gradually, people's lives.

Based on assigned plans, on characteristics of construction projects, on realistic capabilities of each production unit and team, on the proficiency level of the cadres, contract forms are selected and appropriate salary payments made. In fact contracts are given for the entire project to mechanized work team and hand labor construction teams, if the task is less than 6 months; for longer periods contracts are given for components of projects. Besides salaries and benefits, even fuel, materials and equipment are included within the contract content. A number of expenditures are expressed by rates such as 4 percent for rainy days in the first, second and fourth quarters, 10 percent in the third quarter, refreshments rate 1 percent, etc. Transport team contracts by ton/km include salaries, bonuses and supplementary payment for vehicle movements. If the volume transported is large, contracts given to drivers include salary and fuel. Extra bonuses are paid to drivers for combined shipments. For example: vehicles combining transport of supplies with transport of machinery to the worksite will receive an additional payment of 30 dong for distances less than 50 km. For distances of more than 50 km, each trip will be paid 60 dong. For building materials production teams: contracts deal with the end product, in terms of cubic meters of stone, sand and gravel, per 1,000 bricks and per ton of lime. For indirect labor: salary payments on indirect products are based on a review of task functions, then specific tasks to each component and to each person and inspect results daily.

To encourage materially and to supplement worker income, the company applies the bonus system awards from salary fund and awards from net profits for speeding up the work, shortening the process and for conserving raw materials, fuel and supplies. To ensure quality the company establishes clear-cut award regulations, sets award standards, and schedules monthly award examinations to create responsive appropriate worker motivation.

Distribution of salaries depends on the realities within production teams and units, based on the principle of fairness, giving more benefits to whoever works more. Salary distribution is usually based on evaluation of achievements and allocating points to A, B and C categories, which determine the coefficient for each category. Construction labor teams and production support teams are usually paid basic salary in advance, the balance is divided according to productivity or to work days. In direct components, based on the examination of A, B and C categories for each section and each person, the company determines a unified salary coefficient applicable to each component based on the level of labor expended and the importance of the planning period.

The Lang Son Water Conservancy Construction Company is steadily pushing forward, to gradually complete and perfect the task of product contracting to production units and teams and to operational divisions and sections.

AGRICULTURE

FURTHER REPORTAGE ON WATER CONSERVANCY PROJECTS

Hanoi NHAN DAN in Vietnamese 27 Mar 85 p 2

[Article by Nong Bac Chai: "Comprehensive and Absolute Contracting at No 6 Water Conservancy Construction Company"]

[Text] The No 6 Water Conservancy Construction Company (Ministry of Water Conservancy) is the leading unit in new approaches to work within the water conservancy sector. Established in 1976, the company is responsible for building water and conservancy projects in the Binh Tri Thien area. In 1978 the company was given additional motor vehicles, machinery and equipment, bringing fixed assets to approximately 62 million dong and increasing the supervisory and labor force to nearly 600. During previous years, because of the lack of incentive measures for the worker, waste often occurred with motor vehicles, machinery, raw materials and fuel, labor productivity was low and cadres and workers encountered difficulties in daily life developing negative results. Faced with this situation the company leadership has found a new approach to management: to apply the contract policy to each category of work and to each worker (including indirect labor).

The company introduced the guidelines for comprehensive (complete) and absolute contracting. Comprehensive contracting is to apply contracting to all the labor force within the company. Absolute contracting is to apply contracting to salary, fuel, material, vehicles and machinery. The objective of comprehensive (complete) contracting is to integrate the forces of production in the manufacturing of finished products. Absolute contracting will link the producers to production supplies, motivating them to utilize vehicles, machinery, raw material and supplies in the most efficient and economical manner; it links the indirect and supervisory cadres to the company's planned mission.

Based on state positions and policies, contract forums and measures must ensure the objective, needs and the principle of socialist business accounting. Such is the response to the three interests and to give due attention to the worker's interests, reinforce socialist production relationships, especially the management of supplies, fuel, raw materials, labor vehicles and machinery; and improve the system of economic accounting. The concrete need is to complete and exceed the state's legal norms which consist of the value of the assembled output, the required project objectives and the amount of money to be paid or placed in escrow to guarantee project quality. Performance will be

based upon the principle of priority for central government projects receiving adequate supplies while local construction projects are carried out with any remaining manpower. Company managers must sign contracts for all projects. Production teams may look for work by themselves but must report to the planning office to sign contracts as required. The projected price for the various project categories is figures in accordance with the suggested price and in accordance with existing state systems and regulations.

Central to the contract issue is the payment of salary and benefits based on state wage/price policies. The company can apply several methods to compute contract wages for indirect and direct systems, while relying on concrete conditions to determine the contract level regarding each category of workers.

First, the company determines the weight of wages allocated by the ministry within the value of the finished product. In this company's specific situation, wages account for about 7 percent and bonuses deriving from wage funds represent 3 percent of output value. The total of these two items amounts to 10 percent of the construction cost. At present the allocation of total wage funds does not follow exactly the level of wages for units of production. It is still based on the number of existing workers and staff and the extent of the assigned task, the percentage of which varies from year to year. For example, in 1984 the company computed wages to be 6.2 percent of the finished product value. Thus the higher the output value, the higher the proportion of total wages would be. This is the highest imposed limit which wages cannot surpass, whatever their distribution. Based on realities, the company determines the following rates for the work force: assuming total salaries to be 100 percent, then wages for direct construction/assembly workers would be 50 percent; salaries for technical cadres, storekeepers, day care and security personnel, nurses and surveyors would be 15.9 percent; indirect workers from team leaders to managers and functional cadres 11.36 percent; maintenance and repair component 13.64 percent; transport component (including transport at worksite) 9.1 percent. Based on these rates the company allocates contract salary to the work force.

To ensure a reasonable contract level for each category of work the company determines the internal contract levels for mechanics, assemblers, maintenance and repair workers, transport teams, and indirect labor force. For example, the contract for transport team workers is per ton/km, with differential based on road conditions (differences as to good and bad roads), distances, age of vehicles, which increase by a fixed coefficient. The application of the above contract forms is consistent with resolution 26-CP of the Council of Ministers, which aims at increased production. However, the Company 6 contract method is still too meticulous and difficult to understand. After working a shift it is not easy for a worker to calculate how much he should receive. The company still does not have the facilities for regular quality inspection.

9320

CS0: 4209/352

HEAVY INDUSTRY AND CONSTRUCTION

INCREASED MACHINERY PRODUCTION URGED

Hanoi GIAO THONG VAN TAI in Vietnamese 23 May pp 1, 2

[Editorial: Let's Continue To Step Up Machinery Production]

[Text] The machinery industry is the basis for the development of communications and transportation. This recognition is stipulating the development of communications and transportation machinery, primarily in recent years. The development ratio in communications and transportation machinery in the last 3 years was 20 percent. Newly produced equipment has been put to timely use to reinforce transportation means and to participate in the construction of communications projects in the annual plan. Production and restoration of accessories were stepped up, and there was a larger and better variety of products. Through specialized work division and cooperation in a system of united production, there was an optimum exploitation of the potential of communications and transportation machinery. A network of satellite industries of the shipbuilding sector is shaping up and is beginning to expand, contributing to the implementation of river/sea shipbuilding and dredging equipment programs. The entire sector's machinery forces were also mobilized for the production of railroad "accessories" [phu kien] and addressed most of the needs in maintaining, repairing, reforming and building new railroad lines. The development of communications and transportation machinery/production triggered the restructuring of the sector's machinery forces into three specialized branches: shipbuilding machinery, road communications and transportation machinery, and railroad communications and transportation machinery.

Following this direction, since early this year, communications and transportation machinery production has continued to advance and contributed to the implementation of key production programs of the entire sector. Machinery production units at both central and local levels are engaging in larger scale production of river/seagoing ships, aiming at the completion of a fleet of river/seagoing vessels with a loading capacity of 400 to 1,000 tons. To support shipbuilding programs, much equipment and "accessories" were brought into production on the basis of a division of labor in united production. Compressors, steering machines, anchor cables, and various types of valves, doors and fans were successfully produced and delivered and assembled in a timely manner in the first 400-ton ships of the 1985 plan. In the first 6 months of this year, a series of 400-ton ships will be tested and will connect the Tien and Hau rivers with the Hong River through sea lines. In

the first quarter of 1985, most of the federation of enterprises have completed over 20 percent of the annual industrial production plan and certain enterprises went as far as 25 to 27 percent.

However, since early this year, many difficulties and obstacles hamper the units' progress.

Annual output of the machinery industry increases 20 percent in average, but the volume of corresponding material supplies is almost stationary and certain products are drastically in short supply.

Technical planning is not done sufficiently ahead. The federation of machinery enterprises is established and is becoming the nucleus of the entire sector's machinery forces. Nevertheless, it still lacks a method of operation in the federation style and its mode of leadership has the appearance of that of a management department, and as a result, the federation has not reached its full capacity.

In order to overcome these great impediments, we need, first, to improve planning in industrial production. With existing and potential material means, we will balance production plans and we will muster material supplies, fuel, power, equipment and accessories for key production programs of the whole sector. We will reinforce management in the provision of material supplies whose sources on hand are very limited. For this very reason, we must strictly control all types of material supplies put into production and strive to use the right supplies in the most economical manner. Production plans must be formulated with appropriately selected components, optimum allowance of material supplies, and excellent industrial outfits chosen, in order to save material supplies and worktime. We must improve material supply statistical and bookkeeping work, and production reception procedure. We must regularly control the use of material supplies in production. We must move bottlenecked material supplies, transfer excess supplies to where they are needed, and coordinate their allocation with production progress, with priority to key products. We must pay enough attention to providing guidance for technical planning because the latter is the pivotal point of present machinery production programs. Proper planning will create favorable conditions for a well-prepared production, for the manufacturing of satisfactory products in the present context of limited material resources, and finally, for a reasonable expectation that the products will be effective when put into use in the sector's transportation and construction.

At present, certain products are below average partly because of our limited material resources. Consequently, quality control must be our prime concern in order that deficiencies can be detected as soon as possible and properly corrected.

In function of the course of setting up specialized branches in the machinery sector, we will continue the reorganization and the early stabilization of machinery production. We will strengthen and reinforce the production leadership mechanism at the federations of machinery enterprises. All

enterprises must boldly eliminate unnecessary intermediary production stages, enhance the sensitivity of production leadership, and stay close every day and at every hour to the volatile realities of production. We will truly eradicate bureaucratism in business and production, unceasingly enhance the spirit of initiative of the units, and ensure a gradual effectiveness of business and production.

9458

CSO: 4209/489

HEAVY INDUSTRY AND CONSTRUCTION

MINING OF WOLFRAM IN VIETNAM

Hanoi QUAN DOI NHAN DAN in Vietnamese 17 Jun 85 p 3

[Article by Tue Ha: "National Resources: Wolfram"]

[Text] We are quite familiar with wolfram. The fine filaments in electric lightbulbs are made of wolfram, for it can withstand temperatures of up to 3,400 degrees. It is a rare element but is used in many spheres of industry. Many nations must import that mineral for their industry. Between 85 and 90 percent of the wolfram is used in metallurgy to produce very hard and super hard steel. Wolfram steel is hard and can withstand high temperatures, so it is used to make high-speed cutting and milling equipment. Carbon-wolfram is a hard alloy used to plate drill bits. Wolfram is also needed in technology, Wolfram is usually found with tin. At the Tinh Tuc tin mine in Cao Bang wolfram ore is mixed in with tin ore in placer deposits. A cubic meter of sand contains 10 to 950 grams of wolfram. The wolfram mother lodes are found in quartz veins inside mountains. Those veins, .8 to 1.5 meters thick, were shalf-mined by the French colonialists. In addition to Tinh Tuc, wolfram is found in Thanh Hoa, Nghe Tinh, etc.

Exploration for wolfram is being carried out urgently in order to have the most accurate data.

At present, all factories and enterprises in our country use woldram ore to serve the production of products containing wolfram. We hope that in the near future we will have sufficient wolfram resources to meet the needs of our country's industry and of exports.

5616

CSO: 4209/514

HEAVY INDUSTRY AND CONSTRUCTION

CO DINH CHROMITE MINE PRAISED

Hanoi QUAN DOI NHAN DAN in Vietnamese 10 Jun 85 p 3

[Article by Van Nguyen: "Co Dinh Chromite"]

[Text] Chromite ore is the source of chrome. Chromote ore itself is used to make fire-resistant bricks which can resist very high temperatures. Furethermore, chromite ore can be used to make bichromite, which is used to cure leather.

Chrome, a white metal, is very good for plating. Chrome solution emits blue light and is easily distinguished from nickel plating. The most important use of chrome is in making chrome steel. Chrome steel usually contains .5 to 3 percent chrome, while special steel contains 10 to 25 percent chrome.

The Co Dinh chromite mine (Nong Cong District, Thanh Hoa Province) was discovered during the French period. In a speech inaugurating the mining company, the French mine owner said, "The co Dinh chromite mine has an area of 6,000 hectares and includes Mt. Na Son, Mt. Dong Tien, Mt. Nua, and the surrounding areas. It is rich and easily exploited. The quality of its ore surpasses the necessary market standards. The ore contains 52 percent chromium oxide, while the market requirement is only 46 to 50 percent."

In that speech the French mine owner also explained that investment in developing Co Dinh would be highly profitable because the reserves of the placer deposits are very great (more than 21 million tons), and that did not include the bed rock. The production capabilites were only dependent on the number of mining sites and the market. The quality of the ore was better than Caledonian ore (50 percent chromium Indian ore (46 percent), and it contained little magnesium or aluminum. It was easily mined (on the surface, by shovels) then washed and sifted in water and graded. Transportation was convenient and there was a water route only 800 meters away. The mine was in the middle of the delta, so there were cool breezes and mild weather. There was a ready market.

Those words provide a rather ample description of the Co Dinh chromite mine. It must be added that the Co Dinh chromite ore consists of peridotite with very fine grains, only half a milimeter in diameter, which exists in scattered or concentrated deposits in Mt. Nua peridotite rock. The Mt. Nua peridotite

deposits are convex shaped, 12 kilometers long, and 4 to 5 kilometers wide. When metamorphosed it became clay and the chromite crystals which were not metamorphosed were washed down to the foot of the mountain and became placer deposits.

In addition to chromite, the ore contains .48 percent nickel and .04 percent cobalt.

Today the Co Dinh chromite enterprise is a rather modern minning enterprise.

5616

CSO: 4209/513

HEAVY INDUSTRY AND CONSTRUCTION

READER COMPLAINS OF POWER OUTAGES IN HANOI

Hanoi QUAN DOI NHAN DAN in Vietnamese 4 Jun 85 p 3

[Letters from Readers column: "Once Again, Power Outages"]

[Text] Electricity for consumption and production is an indispensable need of all families, factories, and enterprises. When electricity is cut off for 1 hour tens of thousands of people go through "hell" caused by the summer heat, and factories must cease operations. We hear that in Hanoi there is no shortage of electricity, but because of irrational management and use many areas must put up with a shortage of electricity. Arbitrary power outages have been an evil for years now. In the collective housing areas every month and every quarter, in addition to their regular electricity payments the families must pay an additional sum if they are to receive electricity regularly. Therefore, everyone is required to voluntarily pay money.

One side of Van Chuong Street is brightly lit while the other side is in darkness. The T 2 collective housing area and the Lai Chau Hotel have no electricity and must suffer heat and mosquitos. Meanwhile, some cooperative teams and families engaging in secondary production are supplied electricity on a continuous basis. Is that because there is a shortage of electricity or because of some other reason?

We recommend that:

--The managing sector continually inspect each area and make the greatest effort to maintain the flow of electricity so that the cadres and people can have electricity to use in daily activities.

--The Party echelons and governmental administrations of each ward, precinct, and district be concerned with, and take steps to ensure, the supplying of sufficient electricity for life and production in order to avoid arbitrary power outages.

Dinh Thiet
(Hanoi)

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CSO: 4209/513

HEAVY INDUSTRY AND CONSTRUCTION

BRIEFS

INCREASED SHIPBUILDING--The federation of shipbuilding enterprises are expanding economic connections and building many new river/seagoing ships. Recently, the Bach Dang, Song Cam and Tam Bac shipyards (of the Federation of Machinery and Shipbuilding Enterprises) have expanded their economic connection and have built several new river/seagoing ships with from 400- to 1,000-ton loading capacity. Supported by the Institute of Planning which drew for it a technical plan, the Song Cam shipyard gradually invested additional material and technical equipment, rearranged its industrial production chains, and step by step increased its building capabilities. From its sole capability to build barges, the shipyard has now completed five river/seagoing freighters with from 400- to 600-ton loading capacity. The shipyard courageously improved planning, and divided and assembled the hull's general sections in accordance with bridge and cargo transfer industrial regulations, reducing general section assembling time. Tam Bac shipyard efficiently improved its sloped slide paddings, expanded a united coordinative system to solve material supply problems and completed several ships with loading capacity of over 300 tons. It also is preparing the launching of a 400-ton river/seagoing ship which will be the vessel with highest loading capacity ever built. After completion and delivery of the first 1000-ton river/seagoing ship for the sea lines sector, Bach Dang shipyard actively learned from the experience in production preparation, and boldly altered planning in 30 engine items. It also stepped up the pace of assembling general sections and manufactured many bridge equipment accessories. [Text] [Hanoi GIAO THONG VAN TAI in Vietnamese 23 May 85 p 1] 9458

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SUMMARIES

DOAN TRONG NHA - *Lenin With the Problem of Economic Alliance Between the Working Class and the Peasantry In Soviet Russia.*

During the period of the war for national defence, the special economic relations in the policy of war time communism remained to be the foundation of the military alliance between the two classes.

With the start of the initial stage of the transitional period, Lenin utilized the contents of the new economic policy to turn out large quantities of agricultural and industrial products and to realize «normal exchanges» between the two classes taking the peasantry step by step to socialism.

VU VAN TOAN - *Lenin With the Principle of Democratic Centralism In Economic Management.*

This is as follows: Fully implementing the regime of the «head man in charge» a person capable of giving a unified guidance in an accomplished, stable and highly disciplined organization; giving full play to the masses innovative and resourceful potential and to the grassroots units' creativeness; adopting a firm determination against bureaucratic centralism and anarchism; combining effectively the techno-economic factors with the organizational factors; applying fully the dialectical relationship between the two aspects of centralism and democracy in economic management.

NGUYEN NGOC MINH - *President Ho Chi Minh - A Banner Against Colonialism, A Great Economic Ideology of the 20 Century.*

From the economic angle, the article analyzes the following contents:

- Both colonialism and neo-colonialism resort to cruel subterfuges to oppress and exploit the proletarian and the working people on the world scale.
- The judicious revolutionary line for us is: to combine patriotism with proletarian internationalism in the struggle for national liberation and the building of socialism and communism
- The fundamental contents of the advance to taking control of the natural resources and building an independent, sovereign economy.
- The main contents of the process of transformation and socialist construction.

VU TUAN ANH - *Attempting to Analyze Social Reproduction From the Angle of Economic Sectoral Structure.*

Based on the statistics on the growth rate of the sectoral structure of the economy in our country since 1965, the article analyzes the changes taking place in the sectoral structure and their impact on economic growth. In combination with a review of the status of the main relations in reproduction, the author puts forth some propositions on the orientation of improving the economic sectoral structure in the future.

NGUYEN QUYNH - *Some Ideas On the Improvement of Circulation And Distribution For the Development of Production.*

From the confirmation of the important position of the work of circulation and distribution in the process of socialist broadened reproduction, the author analyzes the problems prevalent in reality and pointed out some solution orientations for the materialization of the following lines : with limited sources of capital, materials and labour, we can still continue to develop production at a high speed and with high efficiency.

LE TRONG - *Some Problems on Planning And Economic Accountancy In Agricultural Cooperatives.*

The article deals with the following contents : scientific foundation of the relationship between planning and economic accountancy ; role of agricultural cooperatives in linking planning work with economic accountancy in grassroots units ; some fundamental problems which need to be solved quickly to facilitate planning work and economic accountancy in agricultural cooperatives.

These are the main issues which require a continued clarification in theoretical knowledge and organization of practical guidance for the managerial improvement in agricultural cooperatives.

VO MINH DIEU - *Method of Assessing Economic Efficiency In the Utilization of Tractors and Agricultural Machines.*

An assessment of the economic efficiency in the utilization of machines should be done from the viewpoint of national economy. The standards for its economic efficiency are the social labour productivity needed for a unit of work and product.

Here, one ought to resort to a range of targets of which the most important is the combined productivity ; this is to be linked with the targets of specific aspects such as investment efficiency ; average per capita income...

DO LOC DIEP - *Economic Strategy of International Monopoly Organizations and the Reaction of the Developing Countries.*

The article analyzes the contents and manifestations of the economic strategy of the international monopoly organizations through different period and the consequences on the reaction of the developing countries. The author holds that it is necessary to take advantage of the economic, scientific, technical potentials of the international monopoly organizations ; however, one should consider the increase of neo - colonialist dependence caused by their monopoly activities.