EAST ASIA
SOUTHEAST ASIA

CONTENTS

INDONESIA

Visiting Zimbabwean Minister Discusses Information Cooperation
(ANTARA NEWS BULLETIN, 23 Aug 87)............................ 1

Murdani on Military Exercises With Malaysia
(ANTARA NEWS BULLETIN, 26 Aug 87)......................... 2

Foreign Companies Said Making Profit
(ANTARA NEWS BULLETIN, 25 Aug 87)......................... 3

Japan To Buy More Liquefied Natural Gas
(ANTARA NEWS BULLETIN, 22 Aug 87)......................... 4

State of University Student Movement Described
(Sabar Satrio; BANGKOK POST, 18 Aug 87).................... 5

Briefs
Resettlement in Central Kalimantan
Oil Exports to Japan Up
Pulp Exports to France, Japan

- a -
MALAYSIA

Mahathir's Soviet Visit Produced Positive Bilateral Relations
(THE STAR, 6 Aug 87) ................................................. 8

Foreign Minister: PM's Visit Highly Successful
(NEW STRAITS TIMES, 8 Aug 87) ..................................... 9

Plan To Encourage Greater Ties to Moscow
(Hardev Kaur; BUSINESS TIMES, 6 Aug 87) ......................... 10

MCA President: Party Members More United Now
(THE STAR, 3 Aug 87) ................................................ 12

MCA To Raise Funds Through Life Membership
(NEW STRAITS TIMES, 8 Aug 87) ..................................... 13

National Union Organization Joins in Countering Anti-Palm Lobby
(Khalid Jaafar; BUSINESS TIMES, 7 Aug 87) ......................... 14

Federation Urges Manufacturing for Export
(NEW STRAITS TIMES, 8 Aug 87) ..................................... 15

Opposition Voiced Against Trade Union Act Amendment
(Ahirudin Attan; BUSINESS TIMES, 7 Aug 87) ......................... 17

Trade Balance With USSR in Malaysia's Favor
(Hardev Kaur; BUSINESS TIMES, 6 Aug 87) ......................... 18

Businessmen Urged To Invest in China
(Lim Hock Chye; BUSINESS TIMES, 6 Aug 87) ....................... 19

Petroleum Resources for Petrochemical Industry Urged
(THE STAR, 3 Aug 87) ................................................ 20

Tin Miners Call for Reassessment of Tin Export Control
(Lim Kean Liang; NEW STRAITS TIMES, 6 Aug 87) ................. 21

PM Mahathir: Adhering to Islam Ensures Harmony
(THE STAR, 3 Aug 87) ................................................ 23

Penang: Popular Resort Where Drug Pushers Thrive
(Ho Wah Foon; THE NATION, 20 Aug 87) ............................. 24

Briefs
Petronas Second Refinery ................................. 25

NEW CALEDONIA

Deliberate Introduction of AIDS by French Charged
(LIBERATION, 3 Aug 87) ................................................. 26

- b -
THAILAND

Chamlong Comments on Relations With Prem
(SIAM RAT, 16 Aug 87)................................. 27

Columnist Sees Little Popular Support for Prem
(Sucho Chulaphet; SIAM RAT, 11 Aug 87).............. 29

Ideological Struggle Around Chawalit, Revolutionary Council
(SU ANAKHOT, 1-7 Jul 87)................................ 30

Background, Major Figures Reviewed
Siwichai Leader Prasit Interviewed
Democratic Soldiers Leader Rawi Wanphen Interviewed

Foreign Ministry Reaction to U.S.-SRV Ties: Flexibility Urged
(LAK THAI, 20 Aug 87)................................. 41

Deputy Foreign Minister Sees U.S. Bilateral Potential
(Kowit Sitalayan; THAI RAT, 5 Jul 87).................. 43

General Comments on Army's Political Interests
(THAI RAT, 28 Jun 87)................................... 47

Army Transfers Officers in Weapons Traffic Scandal
(THAI RAT, 2 Jul 87)................................... 50

Air Force Personalities, Command Slots Profiled
(NATICHON SUT SAPDA, 12 Jul 87)..................... 52

Possible Changes in Bank of Thailand Management Seen
(KHAO PHISET, 17-23 Jun 87)............................ 58

Iran Oil for Rice Swap Idea Gets Reaction
(SIAM RAT, 14 Aug 87)................................. 63

Briefs
Daily Pessimistic Over ASEAN Meeting
Further on Crown Prince Promotion
North Korea Trade Offer

VIETNAM

MILITARY

Table of Contents of TAP CHI QUAN DOI NHAN DAN, April-June 1987
(TAP CHI QUAN DOI NHAN DAN, Apr-Jun 87).............. 66

April Issue
June Issue
ECONOMIC

Developing Fishing Industry Seeks Cooperation With USSR
(FREUNDSCHAFT, 7 Aug 87) ........................................... 69

Foreign Tourism Around Ho Chi Minh City
(FREUNDSCHAFT, 19 Jun 87) ........................................... 70

SOCIAL

Ho Chi Minh City Medical Research Center Equipped by Soviets
(FREUNDSCHAFT, 18 Jun 87) ........................................... 71

Table of Contents of TRIET HOC, June 1987
(TRIET HOC, Jun 87) ........................................... 72

/12223
VISITING ZIMBABWEAN MINISTER DISCUSSES INFORMATION COOPERATION

Jakarta ANTARA NEWS BULLETIN in English 23 Aug 87 p A6

[Text] Information Minister Harmoko here Saturday received visiting Zimbabwean Minister of Information, Post and Telecommunications Dr. Nathan Marwirakuwa Shamuyarira.

On the occasion, the two ministers discussed various matters relating to the Inter-Governmental Council of the Non-Aligned Movement in Information and Communications (IGC).

The Zimbabwean minister was elected chairman of IGC in the second Conference of Ministers of Information of the Non-Aligned Countries (Cominac II) held in Harare, Zimbabwe, last June.

During the meeting, the two ministers also took up implementation of the memorandum of understanding on cooperation in the fields of information and communications between the two nations. The memorandum of understanding was signed by the two ministers during the Cominac II in Harare.

In this connection, the Indonesian side offered possibilities of exchanging television and radio programs, feature and non-feature films between the two countries.

In addition, the two sides also discussed efforts to strengthen cooperation between Indonesia's ANTARA National News Agency and Zimbabwe's "ZIANA" news agency in the framework of realizing the Non-Aligned News Agencies Pool (NANAP).

While in Indonesia, the Zimbabwean guest will pay a courtesy call on President Soeharto and have meetings with Foreign Minister Mochtar Kusumaatmadja and Minister of Tourism, Post and Telecommunications Achmad Tahir.

He will also make tours of Yogyakarta, Bali and Bandung.

/13104
CSO: 4200/857
MURDANI ON MILITARY EXERCISES WITH MALAYSIA

Jakarta ANTARA NEWS BULLETIN in English 26 Aug 87 p A5

[Text] A joint mass military exercise between Malaysian and Indonesian Armed Forces is not yet necessary for the time being, Commander of the Indonesian Armed Forces General L.B. Moerdani said here Tuesday.

Speaking to newsmen after accompanying his Malaysian counterpart General Tan Sri Dato Mohd Ghazali to pay a courtesy call on President Soeharto at Bina Graba presidential office, Gen. Moerdani further said that cooperation between the two countries' armed forces had been going well but a joint mass military exercise is not yet necessary.

General Moerdani said cooperation ties between the two countries' armed forces could be carried out in various forms.

The four-star general said the relations could be in the form of exchanges of officers, under which the military officers of the two countries would be able to get acquainted with each other.

According to the Armed Forces Commander, the venue for a joint military exercise is conducted in the two countries on a rotary basis.

Moerdani said that during the meeting General Ghazali bid farewell to President Soeharto in connection with his end of his term of office.

On the occasion, President Soeharto expressed hope for the continuation of good relationships between the two countries' armed forces.

/13104
CS0: 4200/857
FOREIGN COMPANIES SAID MAKING PROFIT

Jakarta ANTARA NEWS BULLETIN in English 25 Aug 87 pp A4, A5

[Text] Foreign investment companies operating in Indonesia generally make fair profits as it could be observed that most of them prefer to expand their firms rather than to establish new businesses.

Deputy Chairman of the Indonesian Investment Coordinating Board (BKPM) Sanyoto made the remarks after receiving a delegation from the French Chamber of Commerce and Industry led by its chairman Philippe Clement here Monday.

Sanyoto explained that the percentage of companies under foreign investment scheme (PMA's) expanding their businesses in 1987 increases by 50 per cent compared with that of the previous years which increased by about 25 to 30 per cent.

"This indicated that the foreign investment projects in the country are making fair profits," Sanyoto said.

Many foreign companies preferred to expand their businesses rather than to set up new firms because of secure feelings and profits they could reap, according to the BKPM deputy chairman.

Up to July this year, the government has licensed a total of 75 foreign investment projects worth US$700 million. Of the investment, Japan topped the list.

Even though many Japanese businessmen turned their investments to Thailand, Japanese investments in Indonesia remained the biggest one.

From January to July this year, the Japanese investments in Indonesia stood at about US$297 million. It exceeds the average amount per annum of US$274 million in the past 20 years, including the Asahan project which is valued at US$1.7 billion.

The Japanese investments in PELITA I, II, and III (five year plan=1969-1984) were generally made in down stream industrial businesses producing goods to replace imported items.

/13104
CS0: 4200/857
JAPAN TO BUY MORE LIQUEFIED NATURAL GAS

Jakarta ANTARA NEWS BULLETIN in English 22 Aug 87 pp A7, A8

[Text] Japan, through Chubu Electric Power Co., and Pertamina, the state oil company, are scheduled on August 28 to sign a contract on the sale of 2.12 million tons of Indonesian liquefied natural gas (LNG), the Indonesian firm's president, AR Ramly, said here Saturday.

The plan on the additional LNG export was mentioned by Ramly on the occasion of the 10th anniversary of the LNG plant at Badak, Bontang, East Kalimantgan, Friday.

He said the contract with Chubu Electric on the purchase of some 700 thousand tons of LNG per annum for a shipping period of 3 1/2 years, will be signed on August 28.

ANTARA in Tokyo reported that Chubu Electric based in Nagoya will buy the additional LNG in the course of October 1987 to December 1990.

The new purchase contract was outside the one previously signed for a period of 20 years between Chubu and Pertamina involving 3.65 million tons per annum.

Japan, on the basis of a long-term (20 years) contract on the annual purchase of 14.7 million tons. South Korea followed with 2 million tons per years, and Taiwan with 1.5 million tons.

The LNG exports to Japan were started on August 21, 1977, then to South Korea on October 23, 1986, and to Taiwan beginning in 1990, after the 6th refinery in Bontang, East Kalimantanan, has been completed.

/13104
CSO: 4200/857
INDONESIAN universities, dormant of political activities in recent years under strong government control, have begun to try to reassess their role in society. Students and politicians, some of whom were campus movement leaders during the hey-day of student politics of the 1960s and 1970s, have been debating in recent weeks over whether or not government policies have stifled political consciousness of the country's future leaders.

Since the military-backed government cracked down on campus politics in 1978, student demonstrations have been virtually unheard of. Students no longer take the role of being the "voice of the people's aspirations" as in the past. Instead, the creme de la creme of the nation's youths have been portrayed as selfish, many driving luxurious cars to school and busy in pursuing their own career.

"Pale faced, tongue-tied, choked ears and frozen inner voice are the pictures of university students today," said Amir Daulay, a student from the private Universitas Nasional (UNAS).

"Students are apathy, individualistic and materialistic and care little about the environment they live in," he said at the discussion on campus political life organised by UNAS.

Indonesia's centres of excellence had been the political platforms that launched many past and present leaders, including the country's first president, Mr Sukarno. It was also a student movement which brought Sukarno's downfall in 1966 to make way for General Suharto's rise to power.

Student demonstrations were common in the first 12 years of Suharto's rule. Many were directed at his economic policies and others at the thriving businesses his relatives and close friends were running. The biggest one was in 1974 when it led to a major riot in Jakarta. The clamp down occurred in 1976 after a series of demonstrations and clashes between students and troops in the West Java city of Bandung.

The government subsequently launched its "normalisation of campus life" (NKK) policy which effectively barred politicking in the confines of university walls. This policy became an issue in the April's election with two opposition parties urging the government to restore campus freedom so that students are more sensitive to the plight and conditions of the people."

The chairman of the smallest Indonesian Democratic Party (PDI), Soerjadi, during a recent seminar on campus politics stood by his electoral pledge. "Students have the historic duty of always remaining critical to the situation around them," he said. He likened post-NKK university graduates with computer, "intelligent but with no feelings."

The debate in UNAS in July showed that students were not all that insensitive, but they expressed that they had little scope for political activities at present. Most
seemed to accept that the concept was here to stay, at least for the foreseeable future.

"It seemed that there is no intention from the government to revise its campus policy... The only way to break the impasse is for students to take their own initiative to seek activities outside," Petrus Darus, one of the speakers, said.

Other students attending the discussion look to their South Korean counterparts with envy. "The ideal condition of campus life can be found in South Korea where they have freedom of expression. It may happen in Indonesia but not in the near future," Ruswandy, a fourth-year UNAS student said.

The government position on the issue is clear cut and that campus politics in Indonesia is a thing of the past.

The ruling Golkar party chairman, Mr Sudharmono, taking up NKK issue that was raised by the opposition parties, said during his election campaign that students were welcome to exercise politics but only through one of the three political parties, preferably his own.

Sarwono Kusumaatmaja, Golkar's secretary general and a prominent member of the so-called generation of 1966 student movement, said at a recent seminar that reviewing the NKK "is tantamount to rewinding the clock of history... Campus should be oriented to the future and to establishing respect for intellectuals in the public's eyes," he said.

Many of Mr Sarwono's colleagues which led the students movement in 1966 that helped install Mr Suharto in power now sit in the executive body or pursuing political careers different from their academic qualifications. They include Youths and Sport Affairs Minister Abdul Gafur and Public Housing Minister Cosmas Batubara.

The government, in defence of NKK, says students should pursue their academic career to be able to contribute to the country's economic development rather than engaging in practical politics.

Indonesian and foreign observers accepted the government's reasoning in view of the shortage of skill among Indonesian workers. But they warned that the nation in the future may be starved of qualified leaders, at least from the civilian ranks, as university students, unlike their predecessors, have become apathetic to politics due to the campus restrictions.

Mr Daunay in his paper said the NKK, which also abolished elected student councils and replaced them with student board selected by university rectors, has wiped out the training grounds that were used by past and present leaders.

But it is precisely the absence of outstanding student leaders and organisations that make a parallel between Indonesian students and their student counterparts in South Korea a fruitless exercise, observers said.

Indonesian students are not well organised, and even if there are so-called leaders, they work on individual basis, said Hariman Siregar, one of the prominent student leaders in 1974 who was subsequently jailed.

"Korean students have strong organisations. If 100 of them are arrested, there will be others to continue the movement," Siregar, a doctor who just ended his probation sentence last May told AFP.

"In Indonesia, when a student movement leader is arrested, the action will stop," he added.
BRIEFS

RESETTLEMENT IN CENTRAL KALIMANTAN--A total of 9,098 families of transmigrants, mostly from Java Island, had been resettled in Kapuas regency, Central Kalimatan province, since 1981 until May this year. The transmigrant families, made up of 37,968 members had been resettled at Pangkoh, Jabirben and Sabangau, Drs. Yunan Talib, spokesman for the local administration of Kapuas regency, told ANTARA Thursday. He said his region in the same period also received 234 families of spontaneous transmigrants, while the land which had been procured prepared for them at the transmigrant sites were around 2,717 hectares. [Text] [Jakarta ANTARA NEWS BULLETIN in English 20 Aug 87 p A5] /13104

OIL EXPORTS TO JAPAN UP--Export of Indonesian crude oil to Japan in July recorded a volume of 2.01 million kilolitres or 12.64 million barrels, which was an increase of 38.3 per cent compared with the same month of the previous year. According to the Japanese ministry of foreign trade and industry (MITI), Japan's overall imports of crude in July 1987 stood at 15.75 million kilolitres; a decline of 5.3 per cent from the previous year. Japan's July crude imports increased however with 28.1 per cent compared with the June imports. [Text] [Jakarta ANTARA NEWS BULLETIN in English 25 Aug 87 p A4] /13104

PULP EXPORTS TO FRANCE, JAPAN--The state-owned paper mill PNK Padalarang will in the near future export some 50 tons of pulp per month to France to meet the demand for paper mills in that country, it was learnt here Saturday. A spokesman of PNK Padalarang, Drs. Wahyu Harun, said all administrative procedures for the export had been completed and the company was now still waiting for the transportation of the pulp from Padalarang, west of here, to the port from where the commodity would be shipped. In addition to France, he went on, PNK Padalarang also exported the pulp to Japan with a volume of 30 tons per month. He also disclosed that the export of pulp was profitable due to the current tight price competition between imported and domestically-made papers in the domestic market. Concerning the export of pulp, Wahyu Harun said that raw materials for the commodity were easily obtainable in West Java, that the export of pulp would have bright prospect in the future. [Text] [Jakarta ANTARA NEWS BULLETIN in English 24 Aug 87 p A2] /13104

CSO: 4200/857
Dr Mahathir also had a
record two-hour discus-
sions with Soviet Commu-
nist Party general secre-
tary Mikhail Gorbachev.

A joint communique is-
ued here five hours after
the Prime Minister’s depar-
ture says both sides are
convinced that the visit and
the discussions will contri-
bute towards further devel-
ment of Soviet-Malaysian
relations in the interests of
the people of the two coun-
tries.

It says both sides ex-
pressed satisfaction with
the “positive development”
of bilateral relations and
reaffirmed their common
desire to expand mutual co-
operation and exchanges in
various fields on the basis
of existing bilateral agree-
mements and the Soviet-Ma-
layesian Joint Communiqué
signed on Sept 26, 1979.

The communiqué adds
that both countries recog-
nised the usefulness of hav-
ing regular consultations
between their Foreign Min-
isters, and of consultations
and co-operation within the
framework of international
organisations and forums.

To this end, they agreed
to further extend such con-
sultations reflected by the
signing of a Soviet-Malaya-
sian Protocol on Consulta-
tions.

On the current contacts
between the Supreme Sovi-
et of the USSR and the Ma-
layesian Parliament, both
sides noted that the con-
tacts had contributed
towards promoting mutual
understanding between the
peoples of the two coun-
tries.

The communiqué says
that during the series of dis-
cussions, the state of bilat-
eral trade and economic re-
lations between the two
countries was also re-
viewed.

The two nations agreed to
cooprate further on a mu-
tually-beneficial basis and
to encourage greater con-
tacts between the represen-
tatives of their business
communities and the repre-
sentatives of the Chambers
of Commerce and Industry.

An agreement was signed
on co-operation between the
National Chamber of Com-
merce and Industry of Ma-
laya and the USSR
Chamber of Commerce and
Industry.

On cultural co-operation,
it says both governments
agreed to encourage con-
tacts and exchanges in ac-
cordance with the Cultural
and Scientific Co-operation
Agreement signed on Oct 4,
1972.

The communiqué notes
that during the visit, the
two governments signed an
agreement on maritime
transport and an agreement
on the avoidance of double
taxation.

Datuk Seri Dr Mahathir
extended invitations to Mr
N.I. Ryzhkov, Chairman
of the Council of Ministers
of the USSR and Mr V.S. Mur-
akhovsky, the First Deputy
Chairman of the Council, to
visit Malaysia. — Bernama.
FOREIGN MINISTER: PM'S VISIT HIGHLY SUCCESSFUL

Kuala Lumpur NEW STRAITS TIMES in English 8 Aug 87 p 4

TEXT] KUALA LUMPUR, Fri. — The recently-concluded visit of Datuk Seri Dr Mahathir Mohamad to Britain, Hungary and the Soviet Union was highly successful on both the political and economic fronts, Foreign Minister Datuk Abu Hassan Omar said tonight.

The Malaysian delegation was particularly pleased with the outcome of the visit to Britain as it marked a "giant step" towards the normalisation of relations between the two countries, he said at Subang airport on his return from the three-week tour.

Datuk Abu Hassan said all "irritants" that stood in the way of Anglo-Malaysia ties resulting from Malaysia's "Buy British Last" policy in the early 1980s had been removed following talks between the Prime Minister and his British counterpart Margaret Thatcher.

"As far as Malaysia is concerned, the policy is no longer in our vocabulary," he added.

He said the visit to the two Socialist countries was not only beneficial to Malaysia but also useful to Asean in terms of obtaining the latest perceptions, especially of the Soviet Union as a superpower, on major international issues affecting the region.

"But I cannot say here what this important message for Asean from the Soviet Union is as this will be taken up by the Prime Minister himself," he added.

Datuk Abu Hassan stressed that Malaysia as a non-aligned nation pursued friendly relations with all countries regardless of their political ideology.

Contacts were established with the highest possible government and party levels, both in the Soviet Union and Hungary, and this would lead to enhanced bilateral trade and economic ties, he said.

"Economically, Malaysia is now able to look at what markets with much larger populations such as the Soviet Union will mean for our primary commodities."

The Foreign Minister said Soviet officials, however, were anxious that Malaysia take positive steps to rectify the trade imbalance now in Malaysia's favour to the ratio of 10:1.

"Of course, we will have to start buying much more Soviet products but we made it clear that both sides will never be able to strike a balance because Malaysia is a market of only 15 million people while theirs is a market of 280 million," he said.

To a question, he said Soviet officials did try to get Malaysia to consider buying some military equipment as a means of correcting the trade imbalance.

"But we told them because of our current budgetary constraints, we are unable to do this."

He said Malaysian private sector officials accompanying the delegation were also expected to sew up some deals with their counterparts in the countries visited to boost bilateral trade. — Bernama
PLAN TO ENCOURAGE GREATER TIES TO MOSCOW

42000853b Kuala Lumpur BUSINESS TIMES in English 6 Aug 87 p 1

[Article by Hardev Kaur]

MALAYSIA and the Soviet Union have agreed to expand bilateral cooperation and exchanges in various fields. For this, the existing consultations and cooperation within the framework of international organisations and forums will be further extended.

A joint communiqué issued at the end of Prime Minister Datuk Seri Dr Mahathir Mohamad’s official visit to the Soviet Union said Malaysia and the Soviet Union agreed to develop further cooperation on a mutually-beneficial basis, by encouraging greater contacts between the representatives of the respective business communities and chambers of commerce and industry.

To enhance bilateral relations the two sides signed agreements on maritime transport, avoidance of double taxation and a Soviet-Malayan protocol on consultations.

An agreement on cooperation between the National Chamber of Commerce and Industry Malaysia and the USSR Chamber of Commerce and Industry was also signed.

Malaysia and the Soviet Union regard economic and technical cooperation among developing countries as one of the most important factors in the mobilisation of internal resources of developing countries and the acceleration of their economic development.

The communiqué said the Malaysian-initiated independent South Commission on Development would be able to contribute to fostering closer cooperation. The two countries also noted that such cooperation would promote the expansion of economic relations of developing countries with other states, including socialist countries.

In view of the present state of international economic relations, both countries are in favour of establishing predictable and stable trade and economic relations among all countries “regardless of their social systems and for the establishing of a new international economic order on a just and democratic basis”.

For this Malaysia and the Soviet Union emphasised the need to stabilise international economic relations, to have extensive and mutually-advantageous cooperation among countries and ensure the economic development of all states.

Noting the close interdependence between disarmament and development, they hoped the forthcoming special United Nations International conference on the relationship between disarmament and development could work out an effective mechanism “whereby part of the fund which would be released by the process of disarmament could be reallocated for development purposes”.

Malaysia and the Soviet Union favour the cessation of all nuclear tests, the early conclusion of a multilateral treaty and their total and final prohibition under “effective international control”.

According to the communiqué both sides are in favour of an early conclusion of an International convention on the prohibition of chemical weapons and the prevention of the extension of the arms race into outer space and the development of international cooperation in the peaceful use of outer space.
They agree that all states, regardless of their size and social and economic systems, should be mindful of their responsibility to mankind and join efforts to prevent nuclear war, eliminate the arms race and promote disarmament.

During discussions emphasis was laid on the importance of the comprehensive proposals of the USSR on the elimination of Soviet medium-range and operational-tactical missiles in Europe and in Asia.

The areas of agreement are:
- **THE** need for a just, comprehensive and lasting settlement of the West Asian conflict through negotiations. An international peace conference under UN auspices with participation of all parties concerned on an equal basis, including the PLO as the sole and legitimate representative of the Palestinian people could significantly contribute to solving the problem.
- **THE** South African conflict required the elimination of the primary causes. These include the abhorrent and inhuman system of apartheid in South Africa, the continued occupation of Namibia by the Pretoria white racist minority regime and its policy of destabilisation.
- **URGED** for an urgent political settlement of the protracted war between Iran and Iraq.
- **EMPHASIS** on the need to ensure lasting peace and stability, and the promotion of equitable and mutually beneficial among states in the region. Both agree that all states in the region should work closely together towards these objectives.
- **SUPPORTED** the efforts of the United Nations secretary general towards finding a comprehensive political solution to the problem of Afghanistan through proximity talks in Geneva.
- **BOTH** are in favour of establishing the Indian Ocean as a zone of peace and support the UN General Assembly resolution to convene an international conference on the Indian Ocean in Colombo not later than 1988.
- **SHARE** the view that the realisation of nuclear-free zones in various regions of the world would contribute to international peace and stability.
- **SHARE** the view that it is imperative to solve the Kampuchean problem by political means through negotiations. They stressed the need to search for a settlement which would take into account the interest of all parties concerned.
- **EXPRESSED** their determination to combat the most dangerous evil — extensive proliferation of uses of the abuse and illicit trafficking in the world — at both the national and international levels.
- **ON** Antarctica they agreed to continue the exchange of views on the issue on the basis "of each other’s position".
- **BOTH** reaffirmed their readiness to do their best to upgrade the effectiveness of the UN, especially its capability of ensuring international peace and security and establishing broad international cooperation for the solution of world problems.
MCA PRESIDENT: PARTY MEMBERS MORE UNITED NOW

Penang THE STAR in English 3 Aug 87 p 4

[Text] SITIAWAN, Sun. — MCA is no longer at its lowest ebb because its leadership is receiving firm support from members, party president Datuk Dr Ling Long Sik said last night.

He said past challenges had made the members more united, diligent and independent.

Dr Ling said the party was now action-oriented and its leaders would strive to solve and prevent problems rather than merely respond to problems whenever they occurred.

"MCA practises collective leadership at all levels. The party will become stronger if the practice is successful," Dr Ling said at the MCA Lumut division anniversary dinner.

"No individual can claim that he is the smartest. The party needs the co-operation of every member."

Dr Ling also witnessed the swearing-in ceremony of the division's committee, and was later handed 188 applications for life-membership in the MCA by Lumut division chairman Ng Cheng Kuai.

Dr Ling said problems, particularly the tough challenges he predicted for the Chinese community in the next three years, could be overcome if MCA members were to place party interest before self-interest.

By doing so, he added, the future of the MCA and Malaysian Chinese would be bright.

Dr Ling said another problem which the party was facing was how to settle its debts.

He said the debts of about $50 million needed to be settled quickly as the party was paying about $500,000 in interest annually.

But he was confident that the debts could be settled if all members sincerely supported the party.

Mr Ng, who is MCA Youth secretary-general, said there was mounting anger and anguish among the Chinese community because certain politicians and bureaucrats were treating religion, language and racial issues as "playthings."

"When the MCA is vocal on certain issues, some politicians thought that we are irresponsible.

"These politicians fail to understand that MCA has a responsible and constructive role to play because we represent the Chinese community," Mr Ng added.
MCA TO RAISE FUNDS THROUGH LIFE MEMBERSHIP

Kuala Lumpur NEW STRAITS TIMES in English 8 Aug 87 p 2

KUALALUMPUR, Fri.—The MCA plans to raise $20 million within a year through its life membership scheme to help pay off the party's massive $51 million debt.

Under the scheme, 200,000 life members would be appointed by August 1988 with each paying $100 for membership.

The scheme will be launched on Aug 23 by party president Datuk Dr Ling Liong Sik at Wisma MCA here.

A committee headed by deputy president Datuk Lee Kim Sai has been formed to plan a drive to get life members.

A member of the committee, Dr Lim Ann Koon, said today that though the scheme would be launched nationally on Aug 23, plans were being made to get 10,000 life members throughout the country by that day.

He said Selangor MCA alone planned to recruit about 5,000 life members by then.

Dr Lim, who is also Selangor MCA secretary, said seven of the 14 MCA divisions in Selangor were expected to get 500 life members each by the launch date.

Though the period of the life membership drive was for one year, people could still apply to be members after this was over, he said.

The MCA has about 400,000 members now and the committee hopes to convert some of them to life members and to draw new members as well.

At present, the party has about 10,000 life members. Life membership was available from the inception of the party at $20 each. It was abolished in 1964.
NATIONAL UNION ORGANIZATION JOINS IN COUNTERING ANTI-PALM LOBBY

42000856b Kuala Lumpur BUSINESS TIMES in English 7 Aug 87 p 2

[Article by Khalid Janfar]

[Text]

THE protest against the American Soybean Association’s (ASA) anti-palm oil lobby took a new dimension yesterday when the Malaysian Trades Union Congress (MTUC) handed over a protest note to the United States embassy.

This is the first time a national union organisation joins the protest against ASA following a call made by Deputy Primary Industry Minister, Encik Alias Ali, to producers to present their case to the US public.

The protest note was handed over to the Agricultural Attaché of the United States Embassy in Kuala Lumpur, Mr Frank Tarrent, by a delegation of the youth section of MTUC led by its chairman Mr N. Krishnan.

In a statement to the Press Mr Krishnan called upon the US Government to intervene and asked ASA to stop the hostile campaign against palm oil immediately.

Palm oil is produced by developing nations and the income generated from the commodity is a major contributor to the countries’ economic well-being, he added.

According to Mr Krishnan, the palm oil producers are finding it extremely difficult to counter the anti-palm lobby mounted by the rich and powerful ASA.

Palm oil producing nations are in no position to match the powerful lobbies on equal terms, the statement added.

The campaign is putting palm oil in a bad light and if continued unchecked will affect the livelihood of a million people in the ASEAN region alone, he added.

Palm oil producers need the intervention of the good office of the United States Government to enable the American public to get a balanced view of the vegetable oil.

The American sense of justice and fair play should give these nations a fair opportunity to publicise the healthy properties of palm oil, Mr Krishnan said.

Meanwhile the National Association of Rubber Smallholders (Nash), which represents some half a million smallholders in Malaysia, will discuss the issue of the anti-palm oil lobby in US at its forthcoming council meeting next month.

Its vice-president, Haji Mazlan Jamaluddin, said that although Nash basically represents rubber smallholders, it is also concerned over the fate of their counterpart in the palm oil sector.

This is important because more and more rubber smallholders are shifting to oil palm cultivation because of comparatively higher income generated from the crop.

According to Haji Mazlan, some efforts have been made to bring oil palm smallholders within the purview of Nash because at present there is no body to represent them.
FEDERATION URGES MANUFACTURING FOR EXPORT

Kuala Lumpur NEW STRAITS TIMES in English 8 Aug 87 p 13

[Text]  
THE clarion call is out for Malaysian entrepreneurs to exploit the advantage evident in the appreciation of major currencies vis-a-vis the ringgit, especially in export-oriented activities where local companies have an edge in the availability of resources.

Manufacturers and chambers of commerce and industry believe if the private sector is to contribute meaningfully to growth, it must seriously venture into manufacturing for export.

"Despite the rising wave of protectionism evident in many developed countries and competition from other Third World countries, there are reasons for optimism in the export market at this juncture, signalled by the upturn in the commodity sector, the encouraging trade surplus figures, as well as the incentives offered by the Government," Tan Keok Yin, executive director of the Federation of Malaysian Manufacturers said.

"Such positive factors augur well for entrepreneurs who should reach out and carve a more significant niche for their products in the world market.

"The ball is now in the court of our manufacturers. They should launch an offensive on the world market and fully utilise the abundant resources available to be competitive on the international scene."

The FMM will be go on an international promotional blitz to woo foreign investors to participate in Malaysia’s official Malaysian International Fair next year. The fair will also provide a platform for our entrepreneurs to make trade contacts with foreign businessmen.

The Ministry of Trade and Industry and other Government agencies like Mida, will be doing their part.

Malaysia’s trade surplus for the first five months this year soared to $4.84 billion — $1.19 billion higher than the $3.65 billion achieved for the same period last year — according to Statistics Department figures.

For the first five months, exports totalled $16.54 billion while imports amounted to $11.69 billion. After a deficit of $914.78 million in 1982, Malaysia’s annual balance of trade has been continuously in surplus.

Mejar Rahman Ibrahim, secretary general of the Bumiputra Manufacturers’ Association, said the appreciation of major currencies will make our products, especially manufactured goods, more price-competitive.

Capital goods denominated in yen have gone up by 60 per cent while that denominated in the US dollar and the Duetach mark have increased by 15 per cent and 40 per cent respectively.

Impetus

"With more costly imports, it is time we venture more into resource-based products for such an industry is still one of the major thrusts of industrial development. Look at Korea and Taiwan. They have to import their raw materials, yet they are leading exporters of manufactured goods," Mej Rahman said.

Agreeing with this, Lim Geok Chan, deputy president of the Associated Chinese Chamber of Commerce and Industry, said the higher cost of production in countries like Japan should spur Malaysian entrepreneurs to exploit the situation and venture into manufacturing for export.

"Though this may delay the expansion and diversification of the industrial base initially, the long-term results should be encouraging. The manufacturing sector will provide the impetus for economic growth," he said.

Mr Tan stressed: "Incentives given by
the Government should bolster the export market. Take for instance the export-credit refinancing scheme, the lowering of electricity tariffs and other incentives.

"When times were bad, entrepreneurs have to utilise their resources, ideas and skills to keep their head above water. Manufacturers should move in now for the export kill for the domestic market is limited."

In lauding incentives given to entrepreneurs, Mr Lim suggested, however, more could be done to help manufacturers by imposing import tariffs on a wider range of goods and reducing further red tape.

"This will boost entrepreneurs' confidence in producing quality and price-competitive goods on a larger scale," he said.

"The eventual success for industrial growth will have to be a concerted effort on the part of all concerned — suppliers of raw materials, State Governments and agencies as well as financiers," said Mej Rahman.

He lamented the individualistic attitudes of some entrepreneurs which resulted in some having only short-term strategies and not being able to penetrate the export market.

He cited an example of Thai entrepreneurs who, in the late 70s and 80s, took the initiative to venture into manufacturing for export and having a headstart over others who may be individualistic.

While Malaysian entrepreneurs could not hope to achieve the kind of export manufacturing success immediately like their counterparts in Japan, Hong Kong, Taiwan or Korea who possess more sophisticated technical know-how and marketing strategies, Mr Tan, Mr Lim and Mej Rahman agreed that the target should be the export market if our entrepreneurs are looking for a silver lining.
OPPOSITION VOICED AGAINST TRADE UNION ACT AMENDMENT

42000856a Kuala Lumpur BUSINESS TIMES in English 7 Aug 87 p 1

[Article by Ahirudin Attan]

[National] trade unions, Cuepacs and the Malaysian Trades Union Congress (MTUC) are expected to join forces in protest against the Government's proposal to amend the Trade Union Act, 1959 on the formation of inhouse unions. If this materialises, the country may see one of the biggest team-ups of trade unions in both public and private sectors protesting against a single issue. The National Union of Banking Employees (Nube), one of the largest trade unions in the country, is initiating efforts to organise the joint protest. The decision by Nube to spearhead this line of action was taken by its emergency executive council yesterday. General secretary K. Sanmugam said yesterday Nube will be asking all national trade unions, Cuepacs, the umbrella body for public employees' unions, and MTUC to form the protest line. Cuepacs and MTUC, the umbrella body for most trade unions in the private sector, have on separate occasions registered their protests against the Government's move.

Mr Sanmugam and his council expect to meet officials from other national unions and workers' organisations to discuss the possibility of making a common stand and campaigning together against the proposal.

In a run-up to this, Nube will seek a meeting with Labour Minister Datuk Lee Kim Sai next week to discuss the issue.

Datuk Lee announced last month that the proposal to amend the Act had been approved by the Cabinet. He said the proposal was to make the law clearer regarding the formation of in-house unions so as to protect their status from being challenged in court by national unions. The Minister said the proposal will be tabled at the next parliamentary session together with several other proposals to amend labour laws.

In the weeks following his announcement, Cuepacs, MTUC and major national trade unions have come out in protest against the proposal. They felt that this would split workers, cause confrontation between national and in-house unions, and lead to weak unions incapable of fighting for workers' rights.

Meanwhile, Mr Sanmugam said the union's exco had also agreed on several lines of action which the union will take individually.

These include nationwide rallies to inform members of the situation and the union's stand, and nationwide pickets. Members will wear black arm bands during working hours as a show of protest. If all these actions fail to stop the proposal from being pushed through, Mr Sanmugam said the Government must be prepared to accept the consequences that would arise.

He said last week that the move to encourage the formation of in-house unions would lead to bitter competition between national and in-house unions. The split would lead to unions becoming more militant in order to win the support of members.

He said the proposal inevitably would disrupt industrial harmony "and there is no reason to do that." To qualify his statement, Mr Sanmugam said Nube, as a national union, for instance, has been able to maintain peaceful relationships with all 46 banks and finance companies.

The union encountered one dispute in 1985, three last year and two so far this year with employers in the banking sector.
TRADE BALANCE WITH USSR IN MALAYSIA'S FAVOR

42000855a Kuala Lumpur BUSINESS TIMES in English 6 Aug 87 p 14

[Article by Hardev Kaur]

There has been a satisfactory conclusion to the question of the imbalance of trade between Malaysia and the Soviet Union as a result of Datuk Seri Dr Mahathir Mohamad’s visit.

Sources said the fact that the issue has not been mentioned in the joint communique reflects the very satisfactory explanation by Malaysia and its genuine desire to address the problem by increasing the total volume of trade.

Presently, the trade balance is in Malaysia's favour and this situation has prevailed for some years. The Soviet Union is a major buyer of Malaysia's primary commodities such as palm oil, natural rubber and tin. The role of the private sector in strengthening and expanding bilateral relations has been adequately recognised in the communique, described as an “important document as a result of the visit”.

The businessmen in the delegation held separate discussions with the Soviets and “went down to the ground to examine the items that could be bought.” Some businessmen said while areas have been identified, it would need follow-ups, more so in the case of the Soviet Union, due to the different systems operating in the two countries.

The sources said that the joint communique reflects the cognisance given by the Soviet Government to Malaysia's non-aligned stand. This stand, in fact, becomes the hallmark of the Malaysian Government and “we are grateful that the Soviet Government recognises these credentials of ours”.

The role of the small states and their stand on various issues on the international economy, peace and war, their need for a more equitable trading relationship and their views on various political issues have been recognised by the Soviet Union. The sources said that some of Malaysia's views, which had hitherto not been given any recognition, are now being considered.

An example is the Antarctica issue — a major advancement was made with the Soviet Union agreeing to “the exchange of views” on the question on the basis of each other’s position.

Previously, Malaysia’s views and standpoint has been “just dismissed” but now a major power and one of the signatories of the Antarctica Agreement have recognised the need to examine the issue.

The Prime Minister ended his eight-day official visit to the Soviet Union with a tour of the Hermitage Museum, a museum of art, in Leningrad.

The visit to the Soviet Union coincides with the twentieth anniversary of the establishment of diplomatic relations between Malaysia and the Soviet Union.

Before visiting the Soviet Union, the Prime Minister had also paid official visits to the UK and Hungary.
BUSINESSMEN URGED TO INVEST IN CHINA

42000853e Kuala Lumpur BUSINESS TIMES in English 6 Aug 87 p 1

[Article by Lim Hock Chye]

MALAYSIAN businessmen have been urged to fully exploit China's 22 newly-created trade guidelines to further enhance existing trading ties between the two countries, the managing director of China Economic and Technical Consultation Corp (Ecotec), Mr Wang Genliang, said.

Mr Wang, who is also one of the committee members of the China Council for the Promotion of International Trade, said among the trade guidelines, which were introduced late last year, are the relaxations of import licences and preferential trade treatment.

"We urge not only Malaysian businessmen, but also all around the world to take advantage of this liberalisation policy. For Malaysia, I believe the existing trading ties would be strengthened further."

He said the changes were brought about to assure and reinforce foreigners' confidence to invest in China. At present, there are about 8,500 joint ventures in China.

Some of Malaysia's joint-venture projects are the construction of an international hotel, a restaurant, a factory producing mattress and a marble producing plant, he said.

However, Malaysia's share in the China market leaves much to be desired, he said after paying a courtesy call on the Deputy Trade Minister, Datuk Koe Wee Riat, in Kuala Lumpur yesterday.

Commenting on Deputy Prime Minister Enckg Ghafer Baba's visit to China late next month, Mr Wang said: "The visit will certainly pave way for closer economic cooperation."

"China and Malaysia have established long-standing trade relationship and Encik Ghafar's visit is a step nearer towards achieving other common objectives beneficial to both countries."

Mr Wang is among the 221 participants in the International Consumer Fair which will begin tomorrow until August 17.

Mr Liu Jinsheng, the director of the Pavilion of the China, said: "More than 200,000 kinds of goods and articles will be on display at the 10-day exhibition. We expect to clinch deals after the exhibition with local businessmen."

On trade volume with Malaysia, Mr Liu said the biggest trade volume was recorded in 1986 when import and export between the two countries hit US$400 million.

Meanwhile, Datuk Kok said the trade balance between China and Malaysia has been in favour of the former.

Giving statistics over the past two years, Datuk Kok said: "In 1985, export from Malaysia to China was worth $388.52 million and import worth $621.44 million. The trade deficit was $232.92 million.

"As for last year, export was valued at $421.58 million and import worth $726.17 and the deficit was $304.59 million. We hope to achieve a more balance of trade in future with China."

China, Datuk Kok said, is a big country with lots of potential and businessmen should explore the opportunities available.

"At present, most of our goods have to go through third countries to China."

9274
PETROLEUM RESOURCES FOR PETROCHEMICAL INDUSTRY URGED

Penang THE STAR in English 3 Aug 87 p 7

[Text] PETALING JAYA, Sun. — Science, Technology and Environment Minister Datuk Amar Stephen Yong said today the country’s petroleum resources can be used to establish a petro-chemical industry.

He said that petroleum, a major export, could be used to produce polymer, agrochemical and pharmaceutical industries.

It would be in line with the new industrial master plan which emphasised the making of quality products from raw materials, he added.

"Chemical knowledge and technology will therefore play an important part," he said when opening the Universiti Malaya Chemical Society seminar on Chemical Education and Practice in Malaysia.

Datuk Amar Yong said research should also be carried out to see how chemical technology could be used to make quality products from other raw materials like palm oil and rubber.

He said that academic institutions should emphasise subjects like hydro-carbons, petroleum, oleo-chemistry, rubber and tin chemistry to produce graduates who could help meet the industrial needs.

Datuk Amar Yong added that the industrial sector could support education programmes by providing:

- INDUSTRIAL training for new graduates to supplement their formal education;
- UPDATED technology to universities to keep in touch with scientific and technological advancements;
- AN EDUCATION programme in which both professionals and academicians could impart chemical knowledge so as to narrow the gap between practice and theory; and,
- TEMPORARY employment to university staff to expose them to industrial practices and challenges.

/13104
CSO: 4200/850
TIN MINERS CALL FOR REASSESSMENT OF TIN EXPORT CONTROL

Kuala Lumpur NEW STRAITS TIMES in English 6 Aug 87 p 13

[Article by Lim Kean Liang]

[Text] MALAYSIAN miners are starting a campaign to dismantle the Association of Tin Producing Countries' export control scheme, which they blame for taking the lustre off the metal.

The States of Malaya Chamber of Mines, the umbrella organisation of mining associations in the country, is expected to make strong representation to the Government on this matter.

An industry source said yesterday that a review of the effectiveness of the supply rationalisation scheme could not be more appropriate than at the Conference of Ministers of the ATPC to be held in Kuala Lumpur next month.

It is also not more timely as by next month the scheme to control the supply of tin entering the market would be six months old and mid-way through its one-year lifespan.

The source said the industry is waiting for Primary Industries Minister Datuk Dr Lim Keng Yaik to return from his overseas visit with the Prime Minister to set the campaign into motion.

He added that on Dr Lim's return, industry representatives will seek a meeting to urge that he press for the dismantling of the scheme at the ATPC Conference of Ministers.

"The industry will try to convince him that the scheme has not helped Malaysian miners at all and its enforcement should be re-assessed."

The industry hoped that Malaysia, through the offices of Dr Lim, would adopt a stand at the conference that the scheme should be dismantled, if not restructured to reduce the severity of its effects on Malaysian miners.

"It is apparent that the scheme has not benefited miners as it has not been translated in the prices. In the six months the scheme has been in operation, prices have not moved but have in fact dropped," he said.

On March 1, when the scheme was enforced, the price on the Kuala Lumpur Tin Market was $16.57 per kg. It had roller-coasted since then and yesterday it was traded at $16.78 per kg.

Two counts

Had the scheme been effective, prices would have gone up. Thus, in effect the scheme has taxed Malaysian miners on two counts — reduction in prices and reduction in production.

The scheme, which will be in force till the end of February next year, is aimed at bringing about a predictable and orderly reduction in the world's overhang of tin stocks, estimated at about 71,000 tonnes.

The ATPC had at its meeting in January agreed to limit total exports of its seven member countries at 96,000 tonnes. Malaysia's share is 28,526 tonnes.

The source said the scheme had worked against Malaysian miners as it helped to "nurse back to health" the inefficient mines elsewhere in the world.

Contention

It, therefore, turned out that the efficient Malaysian mines are subsidising the survival of the inefficient ones such as those in Bolivia with their high production costs.

As president of the States of
Malaya Chamber of Mines
Ibrahim Menudin had once put it: “Why bring back the
dead and dying?”

His contention was that there should not be any move
to breathe life back into the “dying” or revive the “dead” at the expense of the “living”.

Encik Ibrahim had also stated that prices would move up to between $20 and $22 per kg in 15 months to two years after dismantling the scheme.

He projected that by then the stocks overhanging the market would be depleted. The free market would also see to it the tin stocks would not accumulate to overhang the market the way it is doing now.

The source said the bottom line was why should the Malaysian industry suppress economically viable production for the benefit of others.
PN MAHATHIR: ADHERING TO ISLAM ENSURES HARMONY

42000853a Penang THE STAR in English 3 Aug 87 p 9

[Text]

TASHKENT, Sun. — Datuk Seri Dr Mahathir Mohamad has urged the more than 45 million Muslims in Central Asia and Kazakhstan in the Soviet Union to continue adhering to their faith to ensure a harmonious way of life.

Muslims in Malaysia regarded fellow Muslims all over the world as their brothers and were, therefore, interested in knowing what happened to them, he told about 400 Muslims after zhohor prayers at the Islamic Centre for the Central Asia and Kazakhstan here today.

Dr Mahathir said Islam wanted its followers to live in peace with their neighbours and those who protected them.

The imam of the mosque here, Yusuf Khan Zahir, said earlier that the Muslim community in the Soviet Union had a very high regard for Dr Mahathir and Malaysians.

He hoped the Prime Minister's visit to the Soviet Union would enhance relations between the two countries.

"The closer the two countries, the better it will be for us (Muslims) here."

"We pray for relations between our countries to be strengthened," he said.

Dr Mahathir and his delegation flew in here today from Moscow for a three-day tour of the Uzbekistan Republic.

He held a meeting with the Chairman of the Council of the Republic, Mr B. Gkaduvov Gaoq, and members of his Cabinet at the Government House.

Dr Mahathir later visited an exhibition of the republic's economic achievements.

In the afternoon, he left for Samarkand where he viewed architectural monuments of the ancient city. — Bernama
PENANG: POPULAR RESORT WHERE DRUG PUSHERS THRIVE

42000855c Bangkok THE NATION in English 20 Aug 87 p 2

[Article by Ho Wah Foon]

[Text]

PENANG — Tell a Penang pedicab driver that you need drugs and he will probably take you straight to a dingy lane near the island's main harbour.

There, near the cheap hotels of Chulia street and Leigh street in this popular Malaysian resort, you can buy a small quantity of heroin packed in an inch-long strip of drinking straw for US$6.

Malaysia has some of the world's toughest drug laws, including mandatory death sentences. But heroin, opium and cannabis are still widely available.

Penang is a popular resort for young foreigners, backpack-toting budget travellers who descend on the $4-per-night hotels near the harbour.

Some come as customers of the drug pushers who roam the area offering their wares.

Some enjoy their last taste of freedom here.

Since 1983, 15 foreigners have been arrested in Penang under Malaysia's drug laws, which mandate the death penalty for anyone found with more than 15 grammes (half an ounce) of heroin or 200 grammes (six ounces) of cannabis.

Among them were New Zealander Lorraine Fhyllis Cohen and her son Aaron, currently on trial before the Penang High Court.

Forty people have been hanged for drug offences in Malaysia since 1975, among them 10 foreigners — two Australians, six Singaporeans, an Indonesian and a Thai.

Nineteen others have been convicted of trafficking since 1983, when mandatory death sentences were introduced, and are waiting for their appeals to be heard.

Malaysia, close to the poppy crops of the Golden Triangle and thus a convenient transshipment centre for opium or heroin destined for the West, has an estimated 500,000 drug users, smugglers and pushers out of its 16 million population.

The figures were compiled by the National Drugs Research Centre, which estimates Malaysian drug users spend about $1.2 million each day to satisfy their needs.

Penang itself has about 40,000 addicts, according to the research centre which is based on the island off Malaysia's northwestern coast.

The island's acting police chief, Harry Greenall, said he believed traffickers were now avoiding Penang because of "our improved network of informants and friends."

He said police paid for information leading to the arrest of traffickers. The fee was from 10 to 30 per cent of the street value of any drugs seized.

But lawyer Raisiah Rajasingham, some of whose clients face the gallows under the 1983 law, said drug syndicates thrived in Penang because they bribed some policemen.

He said the syndicates sometimes set up "small fry" for police to arrest so they would have something to report to their superiors.

Greenall denied the allegations.

"If there is sufficient information, I can assure you we will do something. I will arrest anybody. I don't care who they are," he said.

"We are not after the drug addicts who are victims of social problems, but pushers, suppliers and the big time," he added.

The Malaysian Government, criticized for the severity of its drug laws, says mandatory death sentences are a powerful deterrent.

At a recent news conference in the capital, Kuala Lumpur, Deputy Home Affairs Minister Datuk Megat Junid Megat Ayub said that 1,800 foreigners and Malaysians had been arrested in connection with drug offences in the first half of this year compared with 5,800 in the whole of 1986.

Dr Vis Navaratnam, director of the National Drugs Research Centre, said Malaysia, Singapore and Hong Kong were among the first Asian countries to seriously combat drug abuse.

"Drugs respect no social group, country, race or age. ... It took a long time to start combating it and so it will take a long time to end the problem," Navaratnam said. — Reuter
BRIEFS

PETRONAS SECOND REFINERY—The decision by Petronas to proceed with its second refinery should give economic activities in Malacca a much-needed fillip and boost the State Economic Development Corporation's efforts to attract investments to Malacca. When the project was first announced in October 1980, it was reported that the project would provide employment for 10,000 people. It was in view of the massive spin-off activities the refinery would provide to surrounding areas that several States had reportedly lobbied intensely to get the authorities and Petronas to site the second refinery in their respective States. Malacca's selection had then drawn criticisms from politicians who felt that building a refinery there would mean an over-concentration of refineries in the south of Malaysia as Esso and Shell have their refineries nearby in Port Dickson. The original plan was to have a refinery with a capacity of 120,000 barrels per day (bpd) and the estimated cost was US$1.2 billion. Petronas has since scaled down the size of the proposed refinery as well as the cost of the project. The up-dated plan is for a refinery with a capacity of between 70,000 to 100,000 bpd to be built at a cost of about US$350 million. [Text] [Kuala Lumpur NEW STRAITS TIMES in English 8 Aug 87 p 13] /13104

CSO: 4200/858
DELIBERATE INTRODUCTION OF AIDS BY FRENCH CHARGED

Paris LIBERATION in French 3 Aug 87 p 20

[Text] Yeiwene Yeiwene, spokesman for the Front de Liberation Kanak et Socialiste [FLNKS] and president of the Islands of New Caledonia Regional Council, charged the French Army with planning the spread of AIDS among the people of the South Pacific who have as yet not been subjected to this plague. Units of the French Army who have served in "various nations of black Africa" and then "wander" among the tribes of New Caledonia would, according to the FLNKS representative, constitute a real "danger to the health of the Kanak population." Yeiwene suggested the possibility that this would be an "underhanded way" for the French Government to "undertake discrete measures for the conduct of genocide against the Kanak people" by using the military to introduce AIDS.

He announced his intention of asking the World Health Organization to send a commission of inquiry to Noumea. During a visit to the Solomon Islands by a delegation of New Caledonia's traditional chiefs the government in Honiara agreed to bring the matter up before the other members of the Forum of the South Pacific.

The pro-independence party believes that if nothing interferes with natural processes the Kanaks will constitute a majority of New Caledonia's population within 5 years. This is what draws particular attention to problems of health and immigration as it concerns New Caledonia. For their part the military and civil authorities completely reject the FLNKS accusation. The French Army will not imitate the actions of the "blue coats" who in conquering the American west, completed the massacre of the Indians in the end of the last century by fire and steel and through the introduction of venereal disease and alcoholism among the tribes. Testing for AIDS is a requirement for military personnel assigned to overseas service. The French military refuses to become involved in "internecine strife" and "name-calling" on the subject of AIDS.

To date, in all of New Caledonia there have only been 11 cases that have tested positive for AIDS and no cases of AIDS.

/6091
CSO: 4219/21
THAILAND

CHAMLONG COMMENTS ON RELATIONS WITH PREM

42070285b Bangkok SIAM RAT in Thai 16 Aug 87 pp 1, 2

[Unattributed report: "Chamlong Maintains That He Has No Intention of Destroying the Equilibrium"]

[Excerpt] On 15 August, Maj Gen Chamlong Simuang, the governor of Bangkok Metropolitan, spoke to reporters about the reports that he and Gen Prem Tinsulanon, the prime minister, have become so estranged that they are no longer on speaking terms. He said that his relations with the prime minister have not changed. When he saw him at the Santibat Club on Coronation Day, he and his wife went and said hello to the prime minister, and the prime minister greeted them in return.

Maj Gen Chamlong said that after that, they met once again at the ceremony to mark the 100th anniversary of the founding of Chulachomklao Royal Military Academy [CRMA] at Khao Cha Ngok in Nakhon Naiyok Province. But because the king was due to arrive very shortly, the only thing Gen Prem asked him was why he had not worn his royal aide-de-camp sash. Because normally, every general serves as an aide-de-camp and must wear the sash. He replied that he is not an aide-de-camp. On 12 August, at a parade in honor of the queen's birthday, the prime minister, as everyone knows, was in a very serious mood and did not want to talk to anyone. He spoke to him, but the prime minister responded brusquely.

Maj Gen Chamlong also talked about the reports that he picked up the hat of Gen Prem during the ceremony at CRMA. He said that the hat that he picked up did not belong to the prime minister. It belonged to Maj Gen Chatchai Chunhawan, the deputy prime minister. That day, before entering Sukha Hall, people left their hats and swords outside. And when they left, they picked up their hats and swords. This caused some confusion. During the field ceremony, he noticed that the hat that he was wearing was loose and so he realized that he had picked up the wrong hat. The hat that he had picked up was newer than his.

"After that, I contacted Gen Thianchai Sirisamphan, the deputy prime minister. But the hat did not belong to him. Later on, I met the under secretary of defense, who observed that the hat probably belonged to someone with stiff hair. They would not notice how loose the hat was because of their hair. I
then contacted Maj Gen Chatchai," said the governor of Bangkok Metropolitan. He added that in the end, he learned that the hat that he had taken by mistake belonged to Maj Gen Chatchai. Four people, himself, Maj Gen Chatchai, Gen Thianchai, and an army region commander, had picked up the wrong hats. The prime minister did not go to the Sukha Hall that day.

A reporter observed that after a survey conducted by the Social Research Institute, Chulalongkorn University, showed that the people want Maj Gen Chamlong to become prime minister, his relations with the prime minister began to change. Maj Gen Chamlong said that after the results of this survey were published, he told the prime minister that he had not changed and that he had no plans to become prime minister. Gen Prem still chats with him as usual.

Maj Gen Chamlong said that he does not dwell on these things. He likes to "finish" things. When he finishes things, he goes home. "When I meet army friends, I tell them that I have no plans to become this or that. I think that senior people understand. The prime minister has not shown any ill-will. When we meet, we joke with each other," said Maj Gen Chamlong. He added that even Gen Phichit Kunlawanit, the assistant RTA CINC, still asks him about fasting.

11943
COLUMNIST SEES LITTLE POPULAR SUPPORT FOR PREM

[2070285a Bangkok SIAM RAT in Thai 11 Aug 87 p 3]

[Analysis column by Sucha Chulaphet: "Most People Are Still Neutral"]

[Excerpt] Assessing Gen Prem's popular support is something that will have to be discussed as long as he remains prime minister.

To oppose Gen Prem's grip on power and get him to resign, the opposition has raised the issue of his failure to administer the country effectively and pointed to the dissatisfaction of the people. This is a warning to Gen Prem that when the people no longer want him, he should not stay on as prime minister. He should give someone else a chance to be prime minister.

But those who support Gen Prem and want him to remain in this position have assessed his popular support very differently than the opposition.

Gen Prem's supporters have made every effort to create an atmosphere to make Gen Prem think that he still has the confidence of the people. They have fabricated wonderful economic figures to show prosperity and growth and arranged for tens of thousands of people to welcome him on his trips to the provinces.

An effort must be made to assess Gen Prem's popular support fairly. This must begin based on the basic reality of Thai politics. That is, most of the people are not involved in political interests and do not have any interest in the political problems. Few people are interested in who is prime minister or minister. Instead, they are interested only in supporting themselves and making a living. Most people are still neutral. Most tend to rely on themselves rather than placing their trust in Gen Prem.

Thus, in view of the fact that most people have never put their trust in Gen Prem, there can be no loss of trust. Only those few people who placed their hopes and trust in Gen Prem can lose their confidence in him.

Those who think that the people in the northeast and south have great confidence in Gen Prem should understand that most of the people in the northeast who have turned out to welcome Gen Prem on his visits did not do so because they have confidence in him but because they were recruited to do so. They would have done this regardless of who is prime minister. The same thing is true of the people in the south. Only those few people who have benefited from Gen Prem have turned out to welcome him at the Hat Hai airport and in other provinces. Most southerners do not trust Gen Prem. It's just that they haven't stated this publicly.
IDEOLOGICAL STRUGGLE AROUND CHAWALIT, REVOLUTIONARY COUNCIL

Background, Major Figures Reviewed

42070262 Bangkok SU ANAKHOT in Thai 1-7 Jul 87 pp 12-15

[Unattributed report: "Siwichai Group-Democratic Soldiers, a Simple Tactic of the Army Strategist"]

[Text] During SU ANAKHOT's interview with Prasit Chaiyathongphan, the secretary general of the Siwichai Group, on 22 June, something that should be noted is that Prasit frequently referred to Gen Chawalit Yongchayiyut. He said that before criticizing the Democratic Soldiers and National Revolutionary Council, he informed Gen Chawalit. Gen Chawalit agreed and asked him to come see him in order to thank him for not including him among those in the Revolutionary Council. Prasit said honestly that Gen Chawalit had been a member of the Democratic Soldiers but that he had withdrawn from the group at the end of 1986.

Since the beginning of 1987, the attitude of the Siwichai Group has changed. Initially, the Siwichai Group strongly criticized the idea of a democratic revolution. They charged that this was the line of the pro-Soviet communists. They said that this line was put forth by Prasoet Sapsunthon and that the Democratic Soldiers group served as a tool. Gen Chawalit and even Gen Prem Tinsulananon participated in this movement. In a document that was distributed surreptitiously, this group strongly attacked both Gen Chawalit and Gen Prem. And Prime Ministerial Order 66/2523 was viewed as the chief culprit. The first booklet that this group began distributing openly to people on 9 May 1986, entitled "The Democratic Revolution Plan," followed this line.

One section of the booklet stated that "in short, the CPT [Communist Party of Thailand] and the Democratic Soldiers feel that Order 66/2523 is a democratic order and democratic policy. We feel that this is a dictatorial order that will transform the country's administrative system into a Soviet-style system."

Another section clearly stated that the "group that supports Order 66/2523 is the Democratic Soldiers group, which is composed of Gen Prem Tinsunanon, Gen Han Linanon, Gen Chawalit Yongchayiyut, Gen Mana Rattanakoset, Maj Gen Prayot Thawonsiri, Maj Gen Rawi Wanphen, and others. These people dwell on the
phrases sovereignty of the masses and increasing individual freedoms. They have exerted pressure to change the constitution in order to have a presidium, that is, to have a National Military Council to control all three sovereign branches. That is, it would be above the administrative, legislative, and judicial branches. Gen Chawalit Yongchhaiyut stated that he would fight to change the constitution so that it conforms to Order 66/2523. But various people and political parties opposed this, saying that this would be a communist dictatorship. As a result, on 19 March 1983, Gen Prem dissolved parliament."

But today, the attitude of the Siwichai Group is very different. That is, they are no longer attacking Gen Prem or Gen Chawalit. In particular, concerning Gen Chawalit, Prasit has said that they are on the same side and that Gen Chawalit has talked with him and asked him to help explain things to the people. As for Order 66/2523, the Siwichai Group has taken a more moderate tone and said that the order itself does not pose a problem. Rather, it is the document that explained the order to ISOC [Internal Security Operations Command] specialists, that is, Program 6601, which was organized by the Democratic Soldiers, that is communist.

"We have stopped printing this booklet," said Prasit to SU ANAKHOT about the group's first publication, which sharply criticized Gen Chawalit.

The struggle waged by the Siwichai Group has achieved results. At the very least, Gen Chawalit has had to compromise to a certain extent. As is known, the line of the Siwichai Group is in harmony with that of MR [royal title] Khukrit Pramot. This is a conservative line that is aimed at preserving the present administrative system. The Siwichai Group was the source of the presidium chart. But Gen Chawalit took a different attitude in responding to MR Khukrit. He clearly opposed this way of thinking. But with the Siwichai Group, Gen Chawalit made an effort to win them to his side. And the Siwichai Group surrendered easily.

The change in attitude of both Gen Chawalit and the Siwichai Group took place after the appearance of the National Revolutionary Council on 28-29 April, which caused quite a sensation even though it did not propose any new line. The policy announced by the National Revolutionary Council was actually written more than 10 years ago. The forms that it has taken through the years are as follows:

1. A statement of the laborers' line on National Labor Day, 1 May 1975. This statement was read at Lumphini Park by Mr Bunthiang Charoenphithai, an official with the State Railway of Thailand.


3. The policy of the 1 April Revolutionary Committee, which was announced on 3 April 1981 just before the coup attempt collapsed.


5. The policy of the Thai Mass Party.
Finally, it appeared in the form of the policy of the National Revolutionary Council, which for various reasons created a greater sensation than before.

The most important reason is that prior to this, Gen Chavalit touched off a widespread debate when he raised the issue of "revolution" and "democratic revolution." Many of his statements directly conflicted with the existing system of administration, which he has called a dictatorship of the capitalists, referring to certain political parties and politicians. He has tried to get people to accept the word "revolution" and look at this as something positive. This is completely different from "coup," which refers only to changing the government, not to changing any of the policies. Revolution, on the other hand, refers to changing the policies for the better. It may not even be necessary to change the government. And in staging a revolution, it is not always necessary to use force. It may be possible to carry out the revolution peacefully. Gen Chavalit has said that he wants to stage a revolution but not a coup. And he has said that he will seek permission from the people before doing this. This provides a good foundation for building a mass base to support him. Various groups, some of which had heard about him previously and some of which hadn't, hurried to announce their support for this. Many groups went to his house at Suan Phuttan to voice their support, shouting, "The people support the revolution led by Gen Chavalit." In the end, this evolved into the National Revolutionary Council, which held a meeting at the Asia Hotel on 28 April.

Another important reason is the attention received from the mass media. In the past, the mass media paid absolutely no attention to the idea of a democratic revolution. They did not feel that these people were worthy of any attention by the mass media. But this time, Kamhaeng Phoritanon of the DAILY NEWS has monitored their activities closely and written stories on them frequently in the DAILY NEWS. As a result, the major newspapers and press agencies in Thailand have begun to take an interest in this. They have to monitor this, because they think that the DAILY NEWS knows something. Their feeling is that if there is nothing to this, the senior people at this newspaper, which is Thailand's second largest newspaper in terms of circulation, would not risk a billion-baht operation to serve as the mouthpiece of this group.

Taking the first reason in conjunction with Kamhaeng's interview with Gen Chavalit, other reporters have become "gung ho" about reporting on the Revolutionary Council.

This is like a two-edged sword. On one hand, this could serve to spread the idea of a democratic revolution. This is a major offensive against the political parties and politicians. It is an important show of force. On the other hand, this could reveal that they really don't have large forces. Besides clapping and cheering, those who attended this meeting did not express any clear political ideas. They just felt oppressed by daily life. The leaders are not well known. Prasit Kanchanawat and Chamnan Yuwabun, who were asked to serve as leaders, decided not to get involved. Thus, the mass media (excluding DAILY NEWS) has dubbed this the "Joke Council" and "Pa-hi Council." On the second day of the meeting, the leaders couldn't control things, and about half of the members left. But this did generate much interest among intellectuals.
in the fundamental policy of this group. Many politicians, businessmen, and bankers became alarmed, because they felt that many sections of this policy were socialist in nature. For example:

"2.2.4. The state must play a part in managing private enterprises. In the past, the state has just monitored the private enterprises. For example, the national bank has monitored the commercial banks by registering the amount of capital, deposits, and money deposited with the national bank. That is insufficient to reduce the concentration of capital. The state must control things directly. For example, representatives of the state must play a part in managing things."

After reading just this one article, many bankers could only shake their head.

Among those who began to take an interest in this were military officers. Initially, when their superiors launched a struggle against politicians and political parties, that was all right. Because most soldiers detest politicians. They feel that politicians are crooks. If they are allowed to govern the country, the country will collapse. The soldiers thought that their superiors were proposing that they block the power of the politicians. They refused to allow politicians to govern the country or become prime minister. They were not interested in the policies subscribed to by their superiors. Then, when the issue of the Revolutionary Council arose and the Siwichai Group expressed its opposition and analyzed the council's policy page by page and line by line, which showed the socialist nature of this policy, these soldiers began to have doubts. The conservative soldiers are definitely unhappy. But they have had to take things easy, because they do not hold important positions in the military. It would be difficult for them to take action. As for the progressive soldiers, SU ANAHKOT conducted a survey and found that they are beginning to hesitate, too. They do not know what is what. With respect to Section 2.2.4. of the policy of the Revolutionary Council, one officer who holds an important position in the 4th Army Region told SU ANAKHOT guardedly that:

"It is difficult to analyze this to determine what is what. I don't have enough knowledge. Based on what I have read, I don't know whether they are communists or not. But this section is definitely socialist in nature. I am not saying that socialism is bad. Whether it's good or bad or suitable or unsuitable is another issue. But this section of the policy is definitely socialist in nature."

Such doubts are now widespread, and this two-edged sword is aimed directly at Gen Chawalit.

From the standpoint of principles or strategy, even though Gen Chawalit has not denied being involved with the Revolutionary Council and those charged with upholding the law have not given the green light to take action against the Revolutionary Council, tactically, Gen Chawalit has given indications that he is not involved. This is the point that Prasit Chalyathongphan and the Siwichai Group have seized on to take action. Gen Chawalit has stopped talking about a democratic revolution. Just 2 months ago, he was talking about this almost every other day.
Even though the Democratic Soldiers have denied being involved with the Revolutionary Council, admitting only that they have the same line, the truth is, many officers in the Democratic Soldiers group are also involved with the Revolutionary Council. One such officer is Col Prasit Nawawat. On the day of the Revolutionary Council's meeting at the Asia Hotel, SU ANAKHOT saw Col Suban Saengphan and Col Somphong Bunyasirikun at the meeting. From talking with people in this circle, including Yongyut Wattanakon, Ronarong Tangtoemthong, and Bunloet Saengwachiraphiban, it is clear that they all had great confidence in this movement. But that was on the first day. By the second day, confidence had turned to confusion, because Gen Chawalit had begun to show a lack of interest.

"When it was learned that this was the attitude of Gen Chawalit, Col... was shocked. He asked to meet with him, but Gen Chawalit refused," said a Sasana Lane news source.

However, SU ANAKHOT cannot confirm whether it is true that there was such a great shock that a colonel who is a member of the Democratic Soldiers group was refused admittance to the hospital.

While Gen Chawalit has kept quiet and allowed Prasit and the Siwichai Group to speak out, there has been opposition from the Democratic Soldiers. They issued Statement No 14, which sharply criticized the Siwichai Group. It is worth noting that the Democratic Soldiers group has not issued a statement since 1981. Because at that time, Statement No 13, which outlined their policy (similar to the policy of the Revolutionary Council that was announced recently), appeared as the policy of the 1 April Revolutionary Committee, which was broadcast over the radio on 3 April 1981. But by then, the 1 April Revolutionary Committee was on the verge of losing to the government. The reason for that was that most members of the Democratic Soldiers group were members of CRMA [Chulachomklao Royal Military Academy] Class 7, the same class as the coup makers. Previously, they had been united. The Democratic Soldiers group took its democratic line from Prawet Sapsunthon. They used this line to form the group. But their fellow classmates who commanded forces did not accept this line and so did not join the group. Instead, they formed a parallel group known as the "Young Soldiers Group." When the Young Soldiers Group staged a coup, the Democratic Soldiers held to the position that people who are loyal to the nation should use a correct policy and not stage a coup whenever they feel like it. Even if the coup makers gain power, this will not change anything for the country or people. In the end, on the verge of defeat, the Young Soldiers accepted the policy of the Democratic Soldiers as the policy of the Revolutionary Committee, and members of the Democratic Soldiers group openly joined them. People probably remember that at the Hyde Park-style meeting at Sanam Luang on 3 April 1981, Col Prachak Sawangchit stood shoulder to shoulder with Col Suban Saengphan, a member of the Democratic Soldiers group. That was very frightening, because the masses had begun to support the Revolutionary Committee. The Democratic Soldiers group feels that the Revolutionary Committee announced a correct policy too late. If they had done this on the first day of the coup, they would have won, because the people would have protected them.
The revolution (or more properly, coup) of 1-3 April 1981 ended with the destruction of the Young Soldiers Group. Members of CRMA Class 7 who had joined this group were arrested. Some managed to flee. But the members of CRMA Class 7 who belonged to the Democratic Soldiers group were not affected. They were questioned but not arrested or jailed. They were allowed to remain in the military. This is because the investigation showed that these officers had become involved with the Revolutionary Committee after the coup was launched. They had not participated in formulating the plan. And they got involved in order to weaken the Revolutionary Committee and end the struggle peacefully.

Nevertheless, that is one of the main reasons why the Democratic Soldiers had to curtail their activities and refrain from issuing any more statements. Otherwise, Gen Chawalit would have been hurt and would not have been able to help the group.

Now, the Democratic Soldiers, most of whom are still on active duty, have reestablished this group and issued Statement No 14. At the very least, they have probably informed their boss, that is, Gen Chawalit. The only difference is that unlike Prasit, the Democratic Soldiers have not publicly cited statements made by Gen Chawalit. This is another simple game of the army strategist.

Siwichai Leader Prasit Interviewed

Bangkok SU ANAKHOT in Thai 1-7 Jul 87 pp 15-18

[Interview with Prasit Chaiyathongphan, director of the Alien's Labor Division, Department of Labor, and secretary general of the Siwichai Group; date and place not specified]

[Text] [Question] Would you give us some background information on your group?

[Answer] The Siwichai Group was established in February 1986. But before it was established officially in February that year, we had already formed a group. Actually, ever since Order 66/23 was issued on 23 April 1980.... There aren't any problems, because this order does not affect anything. This is fine. Having people leave the jungle to wage a struggle in the cities is fine. But later on, this order was clarified by the Democratic Soldiers group, which was established on 23 October 1978. Order 66 was issued in 1980. And then in 1981, the Democratic Soldiers wrote a document to explain Order 66. The name of this document was ISOC Document 6601. This document stated that.... On the political front, it stated that Thailand's administrative system is not a perfect democracy. In a perfect democracy, sovereign power belongs to the masses. The phrase "sovereign power belongs to the masses...." Today, sovereign power does not belong to the masses. If you ask to whom it belongs, the response is that sovereign power is being used by the king. But talking like that is wrong. It is unclear. Listening to this, you know that.... We oppose this. Scholars oppose this explanation. Besides this, it also said that today's land reform is not really land reform. It said that to have a real land reform, you must abolish land ownership. That is, the land must belong to the state. It also said that abolishing the system of land ownership is the next program after the abolition of feudalism. What does abolishing feudalism
mean? Everyone knows the answer to that. The 1,400 people included first-, second-, and third-level officials and military and police officers from the rank of sublieutenant to general. They are not stupid. The Democratic Soldiers group is composed of only 25 men, but they happen to hold positions of influence. Those at Suan Run and in the ISOC opposed this explanation. But the Democratic Soldiers twisted this to mean that they opposed Order 66 and discharged them. None of these 1,400 people was allowed to give lectures. But they didn't say anything. That was fine. The Democratic Soldiers found 200 other people. These people gave lectures based on the line that I have described here and worked to build democracy based on this line. They worked to build an economy based on the Burmese model. We didn't say anything. We remained silent.

But then, large numbers of documents were sent back and forth between the labor party, the Democratic Soldiers, and the CPT. We had to take action because the CPT had convened its 5th Congress in Bangkok on 1 December 1983. And in 1984, they selected more than 100 Thai students to study in the Soviet Union. Today, they continue to send more than 100 students every year. This is very dangerous. When they return, they cooperate with the labor party and Democratic Soldiers. And so we joined together, because we felt that they were going too far. We issued a booklet entitled "The Democratic Revolution Plan." We revealed certain documents. That's all. We didn't reveal anything else. We included all their documents so that the people could understand. The people read and understood the documents, but they didn't take any action. Nothing was said. Because we wanted to hold to the peace line.

Then on 9 May 1986, which was after we issued the booklet, Gen Chawalit.... I had been involved with Gen Chawalit on several issues. For example, in 1982 and 1983, he called me in and asked, "Prasit, why do you oppose Order 66?" I replied that I did not oppose Order 66. Rather, I opposed Document 6601. "Why do you oppose Document 6601?" Because it would make sweeping political changes. It would change the administrative system. There would be a dictatorial socialist economy. He said, "Is that true?" I replied that it was. I showed him the sections. He said, "That was added." I asked him what he planned to do. He said, "It will be repealed within 3 days." And 3 days later, he repealed Document 6601. After that, the Democratic Soldiers group was modified. We kept quiet.

In October 1986, he called me in to see him once again. "Prasit, why did you write those things in 'The Democratic Revolution'?" I replied that they had gone too far. I said that they wanted to transform the present democratic system with the king at the head into a dictatorial socialist system. He said, "In that case, they have gone too far." I didn't say anything. I was glad that he agreed.

After the Revolutionary Council held its meeting on 28-29 April 1987, the Siwichai Group issued a statement on 30 April. We did not criticize them. All we said was that the meeting of the Revolutionary Council had been organized by the Democratic Soldiers, the Labor Democracy Party, and the CPT. That's all we said. Following that, the Democratic Soldiers issued Statement No 14. That
was the first statement that they had issued since Statement No 13 in 1981. They stated that they had not issued a statement since 1980. But actually, the last one was issued in 1981 following the promulgation of Order 66.

[Question] But it seems as if they have said that they stopped after Order 66 was issued.

[Answer] They stopped in 1981. Why? Because they included the principles embodied in Statement No 13 in Order 6601. Order 6601 absorbed or accepted the line of thinking of the Democratic Soldiers. And so they stopped. But then they issued Statement No 14, which charges that the Siwichai Group opposes Order 66. Order 66 calls for the suppression of the pro-Chinese communists. Thus, anyone who disagrees with this order is a pro-Chinese communist. That is too facile a conclusion. We did not disagree with Order 66. What we opposed were the other statements that used Order 66 as a cover but that actually expounded the Burmese socialist line in order to topple the administrative system having the king at the head. We issued a statement opposing this on 19 June at the Royal Hotel. Today, they are quiet.

But before we issued this statement, I informed Gen Chawalit though an aide. There was no time to go see him. He had a lot of work to do. I said that first, we had to inform people that the Siwichai Group was not a revolutionary group and that we had no intention of toppling the monarchy. We were a peaceful group that would fight—not play politics—to preserve the democratic system with the king at the head. We had no intention of forming a political party or playing politics in order to become MPs. Our only concern was to protect democracy. Second, the line of the National Revolutionary Council is that of a dictatorial Burmese-style socialist system. I said that I planned to go talk with him about this. He said, "Fine." And so I went and explained things. I did not exert pressure. I asked permission from those in power.

[Question] People are confused. That is, the Democratic Soldiers and the Revolutionary Council have both referred to Gen Chawalit and said that they support the same type of revolution as Gen Chawalit.

[Answer] This happened because Gen Chawalit.... First, he used to be a member of the Democratic Soldiers group. But he is no longer a member. But those who use him as a reference refuse to discuss the fact that he has left the group. They try to conceal this.

Why did he leave the group? Because the group went too far. As I told you, they went too far. And so he left.

Second, in his lectures at NIDA [National Institute of Development Administration], CRMA, Khao Cha Ngok, and Chiang Mai, he has said that he will carry out a peaceful revolution. He will not use force to pressure others to participate in the revolution. There are several things in the country that need to be improved. He will make the necessary changes peacefully. This does not mean that he will make fundamental changes in the administrative system or uproot it. Rather, he will change what is not good. He has been very clear. But the National Revolutionary Council issued a statement signed by Thawon Khayotha saying that the people's peaceful revolutionary movement is led by

37
Gen Chawalit Yongchaiyut. But he said, "How could that be? I am not launching such a revolution. What they have written refers to a dictatorial socialist system. I am concerned with having a liberal democracy. I want to stage a democratic revolution. I am not staging a revolution in order to bring about a socialist system. There is a great difference." He told the press that I was not involved. He then flew to China to sign the weapons-purchase contract as he had announced.

He returned from China on 4 May. On 7 May, he sent an aide to tell me that he would like to see me that day. He thanked me for understanding him and not charging him with being a member of the revolutionary faction. I said that I knew that he did not subscribe to that line of thinking and that he supported a democratic line. But theirs is a dictatorial socialist line. He said, "You are a gentleman. Thank you very much. I am a gentleman, too. If you are honest, people will trust you. But if you aren't, you will lose their trust." That's what he said. If you are dishonest, people will not trust you. But if you are honest, people will trust you. That is what he told me.

[Question] That shows that he stopped since....

[Answer] It is my understanding that.... That is, when.... It is my understanding that it was at the beginning of 1986. On 30 October 1986, he said that... In summarizing the communist suppression activities, he said that those who had left the jungle had gone too far. They were given a chance to live peacefully. But they have rejected this. He also said that Mr Thirayut Bunmi was stirring up trouble again. Thirayut charged that Gen Chawalit was raising the communist specter. He said that he would like them to play politics within the system. But if you want to draw a line somewhere showing when he left, you can draw the line at 30 October 1986.

[Question] Then he was still involved prior to that.

[Answer] You can assume that. But there is conclusive evidence that he was no longer involved after 30 October.

[Question] What is the origin of the name "Siwichai Group?"

[Answer] We discussed matters and agreed that we are conservatives. Conservatism does not mean preserving everything, including what is bad. What is bad must be eliminated. What is good should be preserved. This is conservatism. The beginning of Thailand stretches from the Siwichai period through the Dvaravati and Suwannaphum periods to the Bangkok period. Because we are conservatives, we decided to take the name of the period from which Thailand developed, that is, Siwichai.

The symbol of Siwichai is the black garuda. Why did we take the black garuda? Those who subscribe to Brahmanism believe that the garuda really exists. This is a religious issue. Phaya Garuda fought the four-armed Vishnu. They fought for a long time but finally stopped. In the end, they became friends. After they became friends, whenever they were seated, Phaya Garuda would sit above Vishnu. But whenever Vishnu went anywhere, he rode on the Garuda. It was said that Vishnu possessed the Garuda. When Vishnu was reincarnated in order to end
the age of darkness, the Garuda helped him. He played a heroic part in this. Thus, we feel that the garuda is a fitting symbol.

Democratic Soldiers Leader Rawi Wanphen Interviewed

Bangkok SU ANAKHOT in Thai 1-7 Jul 87 pp 16, 17

[Interview with Maj Gen Rawi Wanphen, a retired officer who is a member of the Democratic Soldiers group; date and place not specified]

[Text] [Question] Why has your group issued another statement after being silent for so long?

[Answer] It is essential to explain the facts. We have been quiet, but others have criticized us. There was no reason for them to attack us. They have charged that we are pro-Soviet. They have harped on this even though we have said that we are democratic. We have issued a total of 13 statements. We talked about democracy in all of them. We oppose the communists. But this must be done in the right way. That is, we must turn Thailand into a democratic country.

[Question] Which means that you have to attack the Siwichai Group, right?

[Answer] People know them. But they have gone too far. They are biased. They are just trying to find mistakes. They are looking for even minor points on which to attack us. If they have any evidence showing that we are communists or that we are pro-Soviet, they should show their evidence and take legal action. But they are just making charges in public and so we have to respond.

[Question] What measures will you take?

[Answer] We will soon issue another statement. This will be statement No 15.

[Question] They have lumped the Democratic Soldiers with the National Revolutionary Council. What is the truth about this?

[Answer] We are not involved with them. We have no ties to them. They are involved in their own activities. On some issues.... We do not agree with them fully.

[Question] What are the differences?

[Answer] If you read the 13 statements issued by the Democratic Soldiers, you will see that we have proposed having the government be the one to take action. This should be the case regardless of which government is in power. But the government has not taken action. And so another idea has arisen, that is, having the people take action themselves. People have established this Revolutionary Council, which wants to use the people as a base. We are not involved.

[Question] But concerning the line....
[Answer] We have the same objective.

[Question] The policy of the Revolutionary Council was copied word for word from Democratic Soldiers Statement No 13.

[Answer] As other people have observed, the policies of Thailand's political parties are all quite similar. This includes the policies of the Democrat, Social Action, and Thai Nation parties. Can you tell me how the policies of these parties differ?

The policies of the Democratic Soldiers are not copyrighted. Whoever agrees with them is free to use them. They can use them as the policies of their group. We approve of that. We would like people to use them. Such things are in the public domain. Just because we use them does not mean that we own them.

We took them from statements made on National Labor Day in 1975. We felt that they were still applicable and so we used them.

Read this. Read it and tell me where it is socialist or communist.

[Question] What about having the state manage private enterprises?

[Answer] Read it carefully so that you understand what we are saying. Isn't the government already doing that? Isn't that how Kamchon Sathirakun and Suthi Singsane think? Isn't it worse to let management fall into the hands of politicians?
FOREIGN MINISTRY REACTION TO U.S.-SRV TIES: FLEXIBILITY URGED

42070285e Bangkok LAK THAI in Thai 20 Aug 87 pp 22, 23

[Unattributed report: "Reagan's Special Envoy Comes To Soothe Vietnam, Thailand Gets Nothing"]

[Excerpts] At the beginning of August, Gen John Vessey, a special envoy of President Reagan, visited Vietnam. He then stopped off in Thailand and issued a statement on the results of his talks with Vietnam's leaders. He said that satisfactory progress has been made concerning U.S.-SRV cooperation on the humanitarian issue of Americans missing in action, or MIAs.

Some people have commented that this trip by Gen Vessey was very important. It will have a direct effect on U.S.-SRV relations in the future, and this will undoubtedly affect relations between Thailand and Vietnam.

An important matter that many diplomats are now keeping an eye on is whether Thailand will accept the fact that the United States is trying to solve the MIA problem before establishing diplomatic contact and so on with Vietnam. At the same time, Hanoi's leaders know that they can no longer use the MIA issue as a bargaining chip with the United States. This is because politics in the United States, including public opinion there and the role of Congress, has changed greatly in recent years.

Concerning this issue, Mr Sarot Chawanawirat, the spokesman for the Ministry of Foreign Affairs, said that Gen Vessey was not clear about what type of humanitarian aid the United States will provide to Vietnam. But he did state that this does not concern providing economic or commercial aid, paying compensation for the damage done during the war, restoring bilateral diplomatic relations, or even allowing Vietnam to establish a permanent office in Washington.

It is predicted that in the future, the United States will definitely give some sort of humanitarian aid to Vietnam. A news source in diplomatic circles said that the United States will probably give aid money to those wounded during the Vietnam War 14 years ago.

A news source in the Ministry of Foreign Affairs said that Thailand is very suspicious about the United States giving aid to Vietnam. Thailand is even
suspicious when high-level American officials visit Vietnam regardless of whether it is an official or unofficial visit. It is feared that the United States might change its attitude and restore relations with Vietnam. Gen Vessey told Thai officials that the United States will definitely not establish diplomatic relations with Vietnam if the problem of American MIAs has not been solved. And Vietnam must withdraw its troops from Cambodia before the United States will consider establishing diplomatic relations.

Thailand has taken a tough position against Vietnam ever since Vietnam invaded Cambodia 9 years ago. It has not shown any flexibility. This is because Vietnam's occupation of Cambodia violates international law, which is something that Thailand cannot accept. Thus, even though Thailand and Vietnam still have diplomatic relations with each other, there is no close contact or cooperation.

Diplomats and people involved in formulating foreign policy have commented that it is time that Thailand reviewed its policy on Vietnam to see if we shouldn't change our attitude. The important thing is that Thai-Vietnamese relations should not depend on the Cambodian problem alone. For example, relations between Thailand and the United States do not depend solely on the problem of the Farm Act or Jenkins Bill. Thailand should find a way to profit from its relations with Vietnam just as Japan and West European countries are doing. This is better than waiting for orders from the United States, for which we get nothing in return.
DEPUTY FOREIGN MINISTER SEES U.S. BILATERAL POTENTIAL

42070260b Bangkok THAI RAT in Thai 5 Jul 87 p 3

[Lunch column by Kowit Sitalayan: "Praphat Limpaphan, the Deputy Minister of Foreign Affairs"]

[Text] Praphat Limpaphan, a man with a cold smile, an MP from Sukhothai province, and the current deputy minister of foreign affairs, came to the offices of THAI RAT.

"I am from Sawankhalok. I was born in Sawankhalok District. At the time of my birth, Sawankhalok was still a province. Later on, it was downgraded to a district. I attended the temple school at Wat Klang. When I grew older, I attended the provincial school there. Now, it is a district school. After I completed Grade 6, I moved to Bangkok and attended the Wochirawut Withayalai School, where I completed Grade 12. Phot Isarasanao, the under secretary of commerce, was a classmate of mine there. He was 2 years older than me, but we played on the soccer team together. He was a back. I played left half. Professor Prapanphong Wetchachiwa, the deputy rector of Chulalongkorn University, was 1 year ahead of me in school. He has a bad leg because of playing soccer. Suthanan Huntrakun kicked him in the knee, shattering his knee cap. The day that that happened, the Dusit team was playing the staff team. I was standing next to him and saw what happened. After graduating from Wochirawut, I entered Kasetsat University. Fellow classmates included Dr Kamphon Adunyawit and Bunthiam Charoenying, the deputy director-general of the Vocational Education Department. After graduating from the university, I served as a cavalry officer in Uttaradit. I was a sublieutenant. When I was a student, I was quite hotheaded. I was student-body president in 1957. That was when students demonstrated about the improper election. I demonstrated, too. I remember, at Chulalongkorn there was Prasit Narongdet. And Thanmasat had a student leader named Raksa Phokhasathit. I think that Prakop Burapharat, who is now a doctor with Bangkok Metropolitan, was there, too."

"How long were you a soldier?"

"I served as a soldier until 1960. I resigned my commission in order to grow soybeans, cotton, corn, and rice. I worked about 1,000 rai. Cotton was the
hardest crop to grow because of the insects. Profits were rather low at that time. Corn sold for 0.40 baht per kg. Cotton was 2-3 baht per kg. Now it is 12-13 baht."

"When did you become involved in politics?"

"My father had been an MP from Sawankhalok for several terms. I got involved during the time that Field Marshal Thanom Kittikhachon was prime minister. He appointed a municipal council, and I was one of those appointed to the council. I served as mayor. I continued to grow crops and was a member of the district and provincial cooperatives. In 1979, my father said that he was too old and that I should run for election. That year, I won a seat in parliament. The Social Action Party sent me to serve as the secretary of Minister Phairot Chaiyaphon. When the telex scandal broke, we all had to leave. I was out of office for 11 months. I reentered parliament in December. I was appointed deputy minister of commerce. Another election was held in 1983, and I was appointed deputy minister of foreign affairs. And following the election in 1986, I was again appointed deputy minister of foreign affairs."

"Would you discuss the copyright act? Does this apply to computer software?"

"We now have the 1978 Copyright Act, which covers the 76 countries in the Berne Convention. As for whether this applies to computer software, we have to discuss things separately. Let's forget about the issue of the United States for the time being. Does this include computer software? It is the courts that will have to decide this. Thus, as for whether there is a problem with computer software, we will have to wait until the royal decree is promulgated. Actually, the copyright act is not the affair of the Ministry of Foreign Affairs. It is the Ministry of Education that is responsible for this. They are the ones who must consider whether this covers computer software. In the royal decree, the Ministry of Education will stipulate what they will and will not give to them. This new law will be used by our courts here in Thailand."

"Does the Ministry of Education know that this is its responsibility?"

"Yes, it does. It knows what it must do concerning the copyright act. Various units are concerned with this draft act. This includes the Writers' Association, the Film Association, and the Video Association. They will all help consider this matter. This includes new works of literature and art."

"In the view of many people, it is the Ministry of Foreign Affairs that is trying to force this law on the Thai people."

"The Ministry of Foreign Affairs has to get involved with this. Because when other countries want to make contact, they must do so through the Ministry of Foreign Affairs. International contacts are the business of this ministry. In the past, foreigners were not that interested in Thailand. They thought of us as a small and far-away country of little importance. When they visit Thailand, I take them to see our textile factories. Foreign factories are said to be very big. But when they see ours, they are very surprised. They never dreamed that we would have such large factories. Ours are even larger than theirs. Foreigners have begun to fear us."
"What effect does the Berne Convention have with respect to the copyright act?

"This Berne Convention has been in effect since 1978. It already covers copyrights. For example, if the United States registers an item or copyrights something in one of the 76 countries included in the Berne Convention, the item is protected immediately. Thus, we feel that because they can already do this through a third country, it would be better to reach a compromise and contact each other directly. We want to ensure that this affects the interests of the Thai people as little as possible."

"Why are people reacting the way they are to this?"

"I will give you some background information on this. This began with the students. When the minister explained this matter, the students listened and then said that they didn't understand and that they would oppose this. Mimeographed papers were distributed to reporters. Things were explained at a cabinet meeting. Detailed questions concerning political and economic issues were asked and answered. People were invited to ask whatever they wanted. They said that they understood things. But after they left, they gave interviews, and their answers showed that they did not really understand things. Perhaps we have not explained the matter in sufficient detail. As for the Democrat and Social Action parties, Minister Marut has explained matters. The Democrat Party asked that an official explain things and so I went and tried to explain the matter."

"Will this be issued as a royal decree by the end of this session of parliament?"

"No. No. (laughs) This doesn't need to be acted on that quickly."

"You and other people in the Ministry of Foreign Affairs are being called underlings of the United States. Does this bother you?"

"No, it doesn't. I have done several things that have opposed U.S. interests. I would like to explain that we do things based on what is right. Take the matter of the Meo, for example. The United States wanted to score points with the Meo. They wanted us to admit Meo from Laos. I said that we couldn't do that. The Meo are not refugees. They were entering the country illegally. Or take the Libyan issue. That was a major issue on which we opposed the United States. There are 30,000 Thai working in Libya. We have to give priority to our national interests. If Qadhafi kills 500 Thai, what will we do? There are more than 200,000 Thai living in the Middle East. They remit 30 billion baht a year. On such matters, we have to oppose the United States vigorously. Thus, when the United States attacked Libya, we voiced our opposition."

"If you were not the deputy minister of foreign affairs but only an ordinary MP from Sukhothai Province, do you think that you would still support this copyright act?"

"If I were just an MP, I would still support this act, because I am concerned about what we can gain from the United States. Our trade with them amounts to
more than 40 billion, and we have a trade surplus of more than 7 billion baht per year. This is a huge profit. The products that we export to the United States, such as seafood, provide jobs for several tens of thousands of families. More than 80 percent of the seamen on the fishing boats are from the northeast. More than 30,000 fishing boats catch fish that is then canned and exported to the United States. This represents huge profits for the country. There are more than 700,000 women working at various factories. And so, even if I were not a minister, I would still support this act."

Praphat Limpaphan, the deputy minister of foreign affairs, who began his career as a farmer and who now holds a very high position in the government, began eating the food that had been sent over from the Hi-Lite Restaurant.

11943
GENERAL COMMENTS ON ARMY'S POLITICAL INTERESTS

"2070260a Bangkok THAI RAT in Thai 28 Jun 87 pp 1, 18, 20

[Excerpts] The Thai Nation Party held a meeting for party MPs at the Chiang Mai Orchid Hotel on 27 June.

The Thai Nation Party invited Gen Chawalit Yongchhaiyut, the RTA CINC, to speak at the meeting on the topic "The Role of the Military Today and in the Future." But Gen Chawalit was busy and so Lt Gen Sanan Sawetserani, the assistant army chief of staff for personnel, came to deliver the speech instead. In his speech, he said that in the past, the interests of the military and of politicians have not been at odds. But because of the lack of contact and communications, problems have arisen and each side has feared the other. The military has feared that politicians will disclose military secrets. Politicians have viewed soldiers as enemies who have tried to control political interests and as dictators who want to destroy democracy.

The assistant army chief of staff said that actually, soldiers are not dictators. But they are resolute in their views. This gap between soldiers and politicians has enabled third parties to interfere and claim that soldiers and politicians are engaged in a confrontation.

Lt Gen Sanan said that the RTA CINC's line for the military is to defeat the communists. Defeating the communists has top priority. Because if we lose to the communists, we will not be able to do anything. Today, we are on the offensive in this struggle. Our important enemies today are the CPT [Communist Party of Thailand] and Vietnam. The military has already won a victory over the CPT by forcing it to wage a peaceful struggle. But there are still dark powers and influential people who are hindering national development. These people are a CPT front. Thus, these influences and dark powers must be eliminated completely.

The assistant army chief of staff said that those responsible for the rise of the dark powers and influences are corrupt government officials, because the influential people could not have gained influence by themselves. They could not have gained influence if corrupt government officials had not used state power to support them. These corrupt government officials include both regular
government officials and political officials. Thus, to suppress the dark influences, the government officials who use state power to support these influential people must be suppressed.

The assistant army chief of staff also discussed the military's role in political development. He said that the military is helping the government build a strong democracy and ensure that sovereignty really belongs to the people. At present, our democracy has been systematized. But certain elements need to be revised, particularly the distribution of the profits of the people in the country.

Lt Gen Sanan said that the military has now defeated the communists and disarmed them. They are now waging a peaceful struggle. From now on, things are up to the political parties. The politicians are now the opponents of the CPT in the democratic arena. Hopefully, the political parties and politicians will be strong enough to defeat the communists. The military is responsible for supporting and protecting the free democratic system. People should not believe those who say that the military plans to stage a coup d'etat. Staging a coup would just create war factors for the communists. We have already passed through the crisis. Do we want to start all over? But we must stage a revolution as explained by the RTA CINC.

The assistant army chief of staff stressed that we must take steps to get the enemy, that is, Vietnam, which is an external enemy, to withdraw from our defense area, that is, Laos and Cambodia. We must do everything possible to get Vietnam to withdraw its troops and help enable Laos and Cambodia to rebuild free systems.

Besides this, the assistant army chief of staff said that today, the military must play a role in development in order to use this as a secure strategic base to defeat the communists. In the future, we must eliminate the CPT completely by building the trust of the people so that they have confidence in and rely on the democratic system. From now on, whether the politicians beat the communists or lose to them is up to the politicians. Thus, building up the political parties in a democratic system is the goal of the military.

Mr Chumphon Silapa-acha, the deputy speaker of the House of Representatives, who was listening to this speech, stood up and asked Lt Gen Sanan whether the tactics now being used by the military to defeat the communists will change if the present prime minister leaves office. In particular, during the past 7-8 years, there have been two attempted coups. He asked what will happen if there is a new prime minister. Lt Gen Sanan replied that the tactics being used to defeat the communists are part of a system. This does not depend on any single individual. As for the matter of a coup, he repeated that the military is not thinking about staging a coup. But the military is responsible for maintaining national security. The important problems today are the people's standard of living and social justice. If everyone cooperates in solving these problems, things will be fine. But if people are incited to take up arms against the government or riots break out in the country, this is something that external enemies could use to come occupy the country. The military is responsible for preserving the country's independence. If things reached that point, the military would have to take action.
Lt Gen Anek Bunyathi, the former commander of the Special Warfare Command, stood up and said that politicians and others have a negative image of the military because soldiers interfere in politics too much. For example, they have played a role in forming the government and in doing this and that. If they stay out of politics, their image will improve. The assistant army chief of staff said that it is impossible to have a complete separation. Soldiers do not think that they are playing politics. Rather, soldiers view this as political work and feel that they must get involved when necessary.
ARMY TRANSFERS OFFICERS IN WEAPONS TRAFFIC SCANDAL

“2070260c Bangkok THAI RAT in Thai 2 Jul 87 p 20

[Unattributed report: "Reasons for Transfer of Officers in Weapons Case Revealed"]

[Text] Gen Chawalit Yongchayut, the RTA CINC, ordered the transfer of 20 officers ranging in rank from sublieutenant to colonel. They were transferred from the 3d Army Region to the Army Reserves. This stemmed from the seizure of a large quantity of war weapons in Phayuha Khiri District, Nakhon Sawan Province, on 14 March 1987. The investigation conducted by police officials showed that the weapons had come from a military armory and that they were being taken to a minority group in the north. On 1 July, in response to questions by reporters, Maj Gen Naritdon Detchapradiyut, the secretary of the army, said that the army has followed the investigation since the very beginning. Those who were involved had to be transferred to other units or the reserves to await the results of the final investigation.

A reporter asked whether any officers from the 2d Army Region had been transferred. Maj Gen Naritdon said that action will be taken against all those involved regardless of where they are stationed. If someone is implicated, he will be transferred, and if he is found guilty of some violation, he will be dismissed from government service. Police and military officials have cooperated in investigating this matter.

Maj Gen Naritdon said that the action taken by the army shows that the army will not protect people who have committed violations. Those who have committed a violation will be punished.

A reporter reported that at 1630 hours that day, Maj Gen Naritdon issued another statement to further clarify the reason for the transfer of these officers. He stated that when the shipment of war weapons was seized in Nakhon Sawan Province, the RTA CINC ordered officials from the Ordnance Department to go inspect various units in the 3d Army Area. They found that some officials had been remiss in drawing ammunition from the armories in
Nakhon Sawan Province and a number of other units. This indicated that they had committed infractions and been remiss in their duties. Thus, the RTA CINC ordered them transferred out of the area. He also said that it has not yet been determined whether those who have been transferred were involved in smuggling weapons. The only thing is that they were remiss in carrying out their duties and may have acted illegally.

11943
AIR FORCE PERSONALITIES, COMMAND SLOTS PROFILED

42070263 Bangkok MATICHON SUT SAPDA in Thai 12 Jul 87 pp 6-8

[Unattributed report: "The Air Force in October 1987, Kaset Rotchananin Will Definitely Be Appointed RTAF CINC"]

[Text] Of the Five Air Chief Marshals, Two Will Retire

Of the five air chief marshals presently on active duty in the air force, two must retire in October 1987. These two are Air Chief Marshal [ACM] Praphan Thupatemi and ACM Chamnan Phrayothin.

ACM Praphan held the following positions: Promoted to air vice marshal and appointed director of finance in 1975; appointed director of logistics in 1976; promoted to air marshal and appointed assistant air force chief of staff for logistics in October 1979; appointed deputy chief of staff in October 1980; promoted to air chief marshal and appointed deputy RTAF CINC in October 1981. Appointed RTAF CINC in April 1983 following the death of ACM Thaklaeo Susilawon.

ACM Chamnan Phrayothin held the following positions: Promoted to air vice marshal and appointed commandant of the Air Command and Staff College in October 1979; appointed director of logistics in October 1981; promoted to air marshal and appointed assistant air force chief of staff for logistics in October 1982; appointed deputy chief of staff in July 1984; and promoted to air chief marshal and appointed deputy RTAF CINC in October 1985.

When these two air chief marshals, who hold the positions of RTAF CINC and deputy RTAF CINC, retire, this will leave the following three air chief marshals on active duty:

#CM Woranat Aphichari: Promoted to air vice marshal and appointed director of operations in October 1982; promoted to air marshal and appointed assistant air force chief of staff for operations in October 1984; appointed deputy chief of staff in October 1985; and promoted to air chief marshal and appointed assistant RTAF CINC in October 1986.

ACM Prathip Koetnawi: Promoted to air vice marshal and appointed deputy director of air operations control in October 1979; promoted to air marshal
and appointed director of air operations control in October 1983; transferred to Air Force Headquarters in October 1985 in order to enable Air Vice Marshal Suraphon Sophaphong to be promoted to air marshal and appointed director of air operations control; and promoted to air chief marshal and promoted to assistant RTAF CINC in November 1986 after ACM Prayat Ditsayasin resigned to become the managing director of Thai Airways International Ltd.

ACM Kaset Rotchananin: Promoted to air vice marshal and appointed director of logistics in October 1982; promoted to air marshal and appointed assistant air force chief of staff for logistics in July 1984; appointed deputy chief of staff in October 1985; and promoted to air chief marshal and appointed chief of staff in October 1986.

Of the 15 Air Marshals, 3 Will Retire

Here, "15 air marshals" refers to those who hold specific positions, not to those who are attached to Air Force Headquarters. Of these 15 air marshals, the following three will retire in October 1987:

Air Marshal [AM] Suraphon Sophaphong: promoted to air vice marshal and appointed director of operations in October 1979; attached to Air Force Headquarters in October 1982; promoted to air marshal and appointed director of air operations control in October 1985; and appointed deputy air force chief of staff in October 1986. He died on 27 June.

AM Chirot Buranabut: Promoted to air vice marshal and appointed director of aerial photography in October 1980; appointed commandant of the RTAF Academy in October 1981; attached to Air Force Headquarters in October 1982; and promoted to air marshal and appointed assistant air force chief of staff for logistics in October 1986.

AM Winai Yuktathat: Promoted to air vice marshal and appointed director of communications and electronics in October 1983, and promoted to air marshal and appointed air force advisor in October 1986.

After the retirement of these 3 air marshals, who hold the positions of deputy air force chief of staff, assistant air force chief of staff for operations, and air force advisor, 12 air marshals will remain on active duty:

AM Pruangwit Hongsanan: Promoted to air vice marshal and appointed commandant of the RTAF Academy in October 1979; appointed director of intelligence in October 1981; transferred to Air Force Headquarters in October 1982; promoted to air marshal and appointed assistant air force chief of staff for intelligence in October 1984; and appointed deputy chief of staff in October 1986.

AM Kan Phimanthip: Promoted to air vice marshal and appointed director of intelligence in October 1982; appointed director of operations in October 1984; promoted to air marshal and appointed assistant chief of staff for operations in October 1985, and appointed commander of the RTAF Security Force in October 1986.
AM Phisit Sikalasin: Promoted to air vice marshal and appointed director of personnel in October 1982, and promoted to air marshal and appointed assistant chief of staff for personnel in October 1985.

AM Nimon Bunyanurak: Promoted to air vice marshal and appointed director of civil engineering in October 1982; promoted to air marshal and appointed assistant chief of staff for logistics in October 1985; and appointed director of air operations control in October 1986.

AM Wira Kitchathon: Promoted to air vice marshal and appointed commandant of the RTAF Academy in October 1982; appointed deputy director of education and training in October 1984; promoted to air marshal and appointed director of education and training in October 1985; and appointed assistant chief of staff for intelligence in October 1986.

AM Phisit Salikhup: Promoted to air vice marshal and appointed deputy comptroller in October 1983, and promoted to air marshal and appointed air force comptroller in October 1986.

AM Anan Klintha: Promoted to air vice marshal and appointed chief of staff of the Directorate of Air Operations Control in October 1983, and promoted to air marshal and appointed assistant air force chief of staff for operations in October 1986.

AM Kroekchai Hansongkram: Promoted to air vice marshal and appointed chief of staff of the Directorate of Air Operations Control and then deputy director of air operations control in October 1983, and promoted to air marshal and appointed director of education and training in October 1986.

AM Phayin Sawatdibut: Promoted to air vice marshal and appointed inspector general in October 1983, and promoted to air marshal and appointed commandant of the Institute of Air Force Academies in October 1986.

AM Wichai Kanchanapha: Promoted to air vice marshal and appointed director of communications and electronics in October 1980; attached to Air Force Headquarters in October 1983; and promoted to air marshal and appointed commander of the Air Force Science and Weapons Systems Development Center in October 1986.

AM Likhit Suwannathat: Promoted to air vice marshal and appointed chief of staff and then deputy director of the Directorate of Aeronautical Engineering in October 1984, and promoted to air marshal and appointed director of aeronautical engineering in October 1986.

AM Prakop Buraphat: Promoted to air vice marshal and appointed director of the Phumiphon Adunyadet Hospital in October 1981; appointed deputy director of medical services in October 1985; and promoted to air marshal and appointed director of medical services in October 1986.

Possible Outcomes in October 1987

1. It is very likely that ACM Kaset Rotchananin will be appointed RTAF CINC.
2. ACM Soranat Aphichari will probably be promoted from assistant RTAF CINC to deputy RTAF CINC.

3. ACM Prathip Koetnawi will probably remain the assistant RTAF CINC and will retire from government service in October 1988.

4. AM Pruangwit Hongsanan will probably be promoted to air chief marshal and moved from deputy air force chief of staff to assistant RTAF CINC.

5. AM Kan Phimanthip will probably be promoted to air chief marshal and moved from commander of the RTAF Security Force to assistant air force chief of staff in place of ACM Kaset Rotchananin.

6. AM Phisit Sikalasin may be promoted from assistant chief of staff for personnel to deputy chief of staff.

7. AM Anan Klintha may be promoted from assistant chief of staff for operations to deputy chief of staff.

8. AM Phisit Salikhup has a good chance of being promoted from air force comptroller to director of air operations control.

Changes in the Position of Assistant Chief of Staff

Air Vice Marshal [AVM] Phanom Phiratwathi has a very good chance of being promoted to air marshal and moved from director of personnel (to which he was appointed in 1985) to assistant chief of staff for personnel.

AVM Roengchai Sanitphan has a very good chance of being promoted to air marshal and moved from director of intelligence (to which he was appointed in October 1984) to assistant chief of staff for intelligence.

At the same time, AM Wira Kitchathon has a very good chance of being promoted from assistant chief of staff for intelligence (to which he was appointed in October 1986) to assistant chief of staff for operations.

It is very likely that AVM Samroeng Koetkaeo will be promoted to air marshal and moved from director of logistics (appointed October 1984) to assistant chief of staff for logistics.

AVM Pricha Nonthari has a good chance of replacing AM Kan Phimanthip as commander of the RTAF Security Force. AVM Pricha was promoted to air vice marshal and appointed air force expert in October 1984 and deputy commander of the RTAF Security Force in October 1985.

Four Important Command Positions

Group Captain Damrong Khongsathian has a good chance of being promoted from deputy director of personnel to director of personnel.
Group Captain Somsak Wesuwan has a good chance of being promoted from deputy director of intelligence to director of intelligence.

AVM Samat Sotsathit will probably remain in his present position of director of operations for at least 1 more year.

AVM Thirasin Khamphiranayannon has a good chance of being promoted from chief of staff of the Directorate of Air Operations Control (appointed October 1986) to director of logistics. Before being promoted to air vice marshal, this officer served as deputy director of logistics.

**Careers of Assistant RTAF CINCs**

<table>
<thead>
<tr>
<th>Rank and Name</th>
<th>Position Prior to Becoming Asst RTAF CINC</th>
<th>Position After Serving as Asst RTAF CINC</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACM Bancha Mekwichai</td>
<td>Asst CoS for Personnel</td>
<td>AF Chief of Staff</td>
</tr>
<tr>
<td>ACM Chaloem Thawat</td>
<td>Dep AF Chief of Staff</td>
<td>Dep Chief of Staff Officers</td>
</tr>
<tr>
<td>ACM Ruangchai Kanchanaphokhin</td>
<td>Dep Chief of Staff Officers</td>
<td>Retired</td>
</tr>
<tr>
<td>ACM Phayom Yensutchai</td>
<td>Dep AF Chief of Staff</td>
<td>Dep RTAF CINC</td>
</tr>
<tr>
<td>#CM Bancha Sukhanusat</td>
<td>Commander, RTAF Security Force</td>
<td>Thai Airways International, Ltd</td>
</tr>
<tr>
<td>ACM Amphon Khondi</td>
<td>Attached to AF HQ</td>
<td>Dep Commander, Supreme Command Headquarters</td>
</tr>
<tr>
<td>ACM Rachai Phon-anan</td>
<td>Asst CoS for Personnel</td>
<td>Retired</td>
</tr>
<tr>
<td>ACM Phin Charoensuk</td>
<td>Attached to AF HQ</td>
<td>Retired</td>
</tr>
<tr>
<td>ACM Banthit Chotohanaphibhan</td>
<td>Director of education and training</td>
<td>Deputy RTAF CINC</td>
</tr>
<tr>
<td>ACM Somphon Burutrattanaphan</td>
<td>Dep AF Chief of Staff</td>
<td>AF Chief of Staff</td>
</tr>
<tr>
<td>ACM Arun Phromtheep</td>
<td>AF Chief of Staff</td>
<td>Dep Commander, Supreme Command Headquarters</td>
</tr>
<tr>
<td>ACM Chakon Thattanon</td>
<td>Commander, RTAF Security Force</td>
<td>Dep RTAF CINC</td>
</tr>
<tr>
<td>ACM Chanya Sukhonthasap</td>
<td>Dep AF Chief of Staff</td>
<td>Thai Airways Int., Ltd</td>
</tr>
<tr>
<td>ACM Prapha Wetchapan</td>
<td>Dep AF Chief of Staff</td>
<td>Retired</td>
</tr>
<tr>
<td>ACM Chamlong Punnakit</td>
<td>Commander, RTAF Security Force</td>
<td>Retired</td>
</tr>
<tr>
<td>ACM Thuanthong Yot-swut</td>
<td>Asst CoS for Operations</td>
<td>AF Chief of Staff</td>
</tr>
<tr>
<td>ACM Phisut Ritthakhani</td>
<td>Attached to AF HQ</td>
<td>Dep Chief of Staff Officers</td>
</tr>
<tr>
<td>ACM Channan Phatrayothin</td>
<td>Dep AF Chief of Staff</td>
<td>Dep RTAF CINC</td>
</tr>
<tr>
<td>ACM Prayat Ditsayasin</td>
<td>Commander, RTAF Security Force</td>
<td>Thai Airways Int., Ltd</td>
</tr>
<tr>
<td>ACM Woranat Aphichari</td>
<td>Dep AF Chief of Staff</td>
<td></td>
</tr>
<tr>
<td>ACM Prathip Koetnawi</td>
<td>Attached to AF HQ</td>
<td></td>
</tr>
</tbody>
</table>

56
### Careers of RTAF CINCs

<table>
<thead>
<tr>
<th>Rank and Name</th>
<th>Time Served in Position</th>
<th>Position Before Becoming RTAF CINC</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACM Kamon Detchatungkha</td>
<td>Oct 1974-Oct 1977</td>
<td>AF Chief of Staff</td>
</tr>
<tr>
<td>ACM Paniang Kantarat</td>
<td>Oct 1977-Oct 1981</td>
<td>AF Chief of Staff</td>
</tr>
<tr>
<td>ACM Thaklaeo Susilawon</td>
<td>Oct 1981-Mar 1983</td>
<td>AF Chief of Staff</td>
</tr>
<tr>
<td>ACM Praphan Thupatemi</td>
<td>Apr 1983-Oct 1987</td>
<td>Dep RTAF CINC</td>
</tr>
</tbody>
</table>

### Careers of AF Chiefs of Staff

<table>
<thead>
<tr>
<th>Rank and Name</th>
<th>Position Prior to Becoming CoS</th>
<th>Position After Serving as CoS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACM Paniang Kantarat</td>
<td>Dep AF CoS</td>
<td>RTAF CINC</td>
</tr>
<tr>
<td>ACM Chan Chulachat</td>
<td>Dep AF CoS</td>
<td>Dep Under Secretary of Defense</td>
</tr>
<tr>
<td>ACM Bancha Mekwichai</td>
<td>Asst RTAF CINC</td>
<td>Dep Under Secretary of Defense</td>
</tr>
<tr>
<td>ACM Thaklaeo Susilaawon</td>
<td>Dep AF CoS</td>
<td>RTAF CINC</td>
</tr>
<tr>
<td>ACM Arun Phromthep</td>
<td>Dep AF CoS</td>
<td>Asst RTAF CINC</td>
</tr>
<tr>
<td>ACM Somphon Burutrattanaphan</td>
<td>Asst RTAF CINC</td>
<td>Retired</td>
</tr>
<tr>
<td>ACM Thuanthong Yot-awut</td>
<td>Asst RTAF CINC</td>
<td>Chief of Staff Officers</td>
</tr>
<tr>
<td>ACM Kaset Rotochananin</td>
<td>Dep AF CoS</td>
<td></td>
</tr>
</tbody>
</table>

11943
POSSIBLE CHANGE IN BANK OF THAILAND MANAGEMENT SEEN

42070261b Bangkok KHAO PHISET in Thai 17-23 Jun 87 pp 37, 38

[Unattributed report: "Whether or Not the Deputy Governor of the Bank of Thailand Is Dismissed Depends on His Eloquence"]

[Text] There are strong rumors that the governor of the national bank, Kamchon Sathirakun, will be dismissed from his position. Ever since the managing director and deputy managing director of the Krung Thai Bank, that is, Mr. Thianchai Siwichit and Mr. Roengchai Marakanon, got into a dispute, there have been rumors that Mr. Kamchon will be dismissed and made an advisor to the Ministry of Finance or the director-general of the Customs Department or the Treasury Department. Most recently, there have been rumors that he will be appointed vice chairman of the board of the Asian Development Bank, or ADB. That would mean that he would have to go work in the Philippines.

However, Mr. Kamchon is still the governor of the Bank of Thailand [BoT], and his mood is better than ever before. This is because one of his favorites, Mr. Ekkamon Khiriwat, the director of the Department of Commercial Bank Supervision and Examination, is back at work.

Now that Mr. Kamchon has a friend there whom he can trust, he is probably more confident of himself. Just a few days after Ekkamon returned, there were reports that the national bank had asked administrators of the Si Nakhon Bank to have members of the Techaphaibun family come sign personal guarantees for the credits that had problems. They toyed with the Techaphaibun family like this for several days. And that was not all. Action was also taken against Bangkok Bank, which is the biggest bank in Thailand and which can be compared to a government in the private sector. After the BoT conducted an audit, it ordered Bangkok Bank to increase its doubtful-debts reserves another 500 million baht. However, this is a very small sum in light of the fact that Bangkok Bank has assets totaling hundreds of billions of baht.

The minister of finance has denied the rumors that Mr. Kamchon will be dismissed. He said that he has not given any thought to this. But in that case, why are there rumors that the minister has asked people close to him to look for a suitable position for Mr. Kamchon? Because the governor has done things that have dis pleased the minister? Rumors about the dismissal of Mr. Kamchon persist. As for the search for a replacement for Mr. Kamchon (there are
several candidates), there are rumors that the directors-general and deputy directors-general in certain departments within the Ministry of Finance have made plans to attack each other and destroy each other's reputation.

Phanat and Banthit Are Both in Line

The position of governor of the BoT is equivalent to that of minister. The BoT has always been an independent unit. But recently, the Ministry of Finance has been trying to supervise the national bank in order to keep it from straying away from it. For example, the previous governor, Mr Nukun Prachuapmoh, was dismissed by Mr Sommai Huntrakun. Thus, it is thought that Mr Kamchon might be dismissed if he does anything to displease the minister.

However, those who work at the national bank are used to working independently and remaining neutral. They don't want political issues to interfere in their work, because politics always confuses matters. As a result, Mr Kamchon is in the difficult position of having to try to please both sides, his subordinates, on whom he must rely, and the minister, his boss.

Some of the things done by Mr Kamchon seem to have displeased the minister. People near the minister have said that the minister was not very happy about the fact that the governor of the BoT went ahead and made decisions in the cases involving the Siam City and Metropolitan banks without discussing these cases with him first.

The person who holds the position of governor of the national bank plays an important role in controlling the country's financial policy. This position cannot be left vacant. It must be filled immediately whenever it becomes vacant. Today, there are two people who are considered suitable for this position. One is the under secretary of finance, Mr Phanat Simasathian, an old fighter of the Ministry of Finance and a fellow classmate of the minister. The other is Mr Banthit Bunyapana, the director-general of the Revenue Department, the brother of the deputy prime minister, Mr Phong Sarasin. He has a good chance of being promoted to this position, because he is an old fighter and has very powerful brothers such as Police Gen Phao Sarasin, the assistant director-general of the Police Department, and Mr Asa Sarasin, who works for the Ministry of Foreign Affairs. If Mr Banthit is appointed governor of the national bank, it can be said that this is the year of the Sarasin family.

Even though many people in the national bank do not think that Mr Banthit has sufficient prestige, people can gain prestige. Mr Kamchon is a good example. Before he became governor of the BoT, many people thought that he lacked sufficient prestige and that he did not speak clearly. But Mr Kamchon has shown that you can build up your prestige. Many people in the national bank are already beginning to feel sorry for him.

There are others besides Mr Phanat and Mr Banthit who are candidates for this position. This includes Mr Kraisi Chatikawanit, the director-general of the Treasury Department, and Mr Wirot Laoaphan, the director-general of the Customs Department. However, these two men would prefer senior positions in the Ministry of Finance. If Under Secretary Phanat goes to the BoT, this will open up the position of under secretary of finance, which is the highest
position to which a regular government official can be appointed and which is the dream of many directors-general.

What is clear is that at present, the matter of who becomes the governor of the BoT is not as important as whether the positions of under secretary of finance and director-general of the Revenue Department become vacant. Because serving as the under secretary of finance or director-general of the Revenue Department is more interesting than serving as the governor of the BoT.

Mr Wirot is an old fighter of the Revenue Department. He rose through the ranks there. He knows more about revenue taxes than customs tariffs and would like to return to the Revenue Department if he is not appointed under secretary of finance. But at present, both Mr Wirot and Mr Kraisi are the target of rumors at the Customs Department. In particular, there are rumors that Mr Kraisi, who served as the director-general of the Customs Department prior to Mr Wirot, gave people permission to import vehicles without having to pay the proper tax. The rumors about Mr Wirot concern the Mabunkrong Marble Company requesting a tax refund of 16 million baht. This request was approved by the Customs Department. But as it turned out, the Mabunkrong Marble Company had not made this request. Somebody had forged the documents. But by the time that officials found out about this, the Customs Department had already approved the refund, which was a serious loss for officials.

As a result of these rumors, Minister Suthi may decide not to dismiss Mr Kamchon right away. Because if either Mr Phanat or Mr Banthit is appointed governor of the BoT, this will cause turmoil within the Ministry of Finance. And there would be turmoil over the search for someone to replace either the under secretary of finance or the director-general of the Revenue Department.

The Opposition Goes on the Offensive

It is not only the turmoil at the Customs Department that has caused Minister Suthi to stop thinking about dismissing Mr Kamchon. Another reason is that the opposition has submitted a motion to have the Ministry of Finance, particularly Minister Suthi, explain why a large sum of money, mainly from the BoT, was used to help financial institutions. This money was loaned to these institutions at a low rate of interest, which is referred to as a "soft loan." Also, the Financial Institution Rehabilitation and Development Fund was allowed to hold shares, too. The opposition wants to know if there were sufficient grounds for this, how much money was involved, and what the benefits will be. The filing of this motion is a political move by the opposition in an attempt to hold a no-confidence debate on the government.

Even though Minister Suthi has been aware of and approved the efforts of the Ministry of Finance and BoT to solve the problems involving the financial institutions, he can't help but be apprehensive about having to explain things to parliament. He has ordered the BoT to ready data, including figures on the amounts of money given in soft loans and the amount of money used to increase shareholdings. The BoT will monitor things and so Minister Suthi must rely on Mr Kamchon. As a result, the idea of replacing the governor of the BoT has begun to fade.
On 10 June 1987, Minister Suthi held a meeting with BoT officials in order to arrive at a complete understanding concerning the report to be presented to parliament on 11 June 1987. Mr Kamchon, too, was very anxious that this matter turn out all right. Because otherwise, he would be in a difficult position, too. If everything went well, Minister Suthi might be more lenient with him.

The Strategem of the Ministry of Finance

Dr Suphachai Phanitphonphak, the deputy minister of finance, said that the Ministry of Finance was prepared. The Ministry of Finance and the national bank helped the financial institutions that were having problems. The money used to help them did not disappear. The financial institutions that received financial aid must repay the national bank. We have to see whether the results achieved were worth the cost, particularly protecting the interests of the depositors, that is, the people.

"The fact that officials kept the financial institutions from failing or going out of business was well worth the money used to help them. In particular, we succeeded in protecting the deposits of the people. We prevented depositors from losing 70-80 billion baht," said Dr Suphachai.

Dr Suphachai said that this also helped the country's economy. Borrowers involved in industrial activities would have been affected if financial institutions had gone bankrupt.

In solving these problems and helping the financial institutions, the national bank acted very carefully. One misconception is that the money given to help these institutions was given in the form of cash. Actually, they were given soft loans. The financial institutions used the money to purchase bonds from the national bank and profited from the interest that was put to use. This was deducted from the accounts. "Contrary to what some scholars think, we did not inject money, which would have increased the money supply on the financial markets," said Dr Suphachai.

In helping the financial institutions, the national bank did not just provide money when asked. The financial institutions had to help themselves first. They had to reduce capital in order to eliminate their old losses and allow new investors to inject new capital. Government officials then provided help to make up the difference. This is different from in the United States, Hong Kong, and the Philippines, where the governments provide help by giving cash to cover the losses.

A news source in the Ministry of Finance said that the Ministry of Finance and the national bank are fully prepared to explain why the financial institutions have encountered problems. If the opposition wants to play unfairly, some members of the opposition might get hurt.

"Take the case of the Siam City Bank, for example. Everyone knows who the bank president used to be. The bank would not have had such serious problems if the former bank president had written letters to foreign banks asking them not to
extend credit or asking them to cut the credit line (which is one reason why the bank lost so much money). The national bank and the Ministry of Finance have evidence in hand," said the news source.

Thus, members of the opposition who have ulterior motives should be careful and not drive the minister of finance into a corner. Otherwise, they might end up getting hurt. A good example is the case of Dr Chirayu Isarangkun Na Ayuthaya, the minister attached to the Office of the Prime Minister, who greatly humiliated Samak Sunthonwet.

11943
IRAN OIL FOR RICE SWAP IDEA GETS REACTION

42070285c Bangkok SIAM RAT in Thai 14 Aug 87 p 6

[Unattributed report: "Iran Asks to Exchange Crude Oil for Rice; Anat Tells Them To Ask the Government"]

[Text] The Iranian ambassador is "wooing" the Petroleum Authority of Thailand (PAT). He has asked to swap oil for rice. Anat has said that this is a policy matter and that they must ask the government. Iranian crude oil is not on the "procurement list." But if the government wants to do this, he will be glad to cooperate. The only condition is that this must not affect domestic operators.

Dr Anat Aphaphirom, the governor of the PAT, revealed that on 13 August, the Iranian ambassador to Thailand paid him a visit and expressed admiration for PAT operations. They talked about the world oil situation. After that, the Iranians asked about government-to-government trade between Thailand and Iran. The two countries used to exchange Iranian oil for Thai rice. They asked why this form of trade between the two countries had declined. He told the Iranian ambassador that decisions on such matters are the responsibility of the Ministry of Commerce and the Ministry of Agriculture. The PAT just implements the policies. Thus, he said that he couldn't answer that question.

A reporter asked how dependent we are on imported Iranian oil at the present time. The governor of the PAT said that at present, most of Thailand's imported oil comes from countries in the Far East such as China, Malaysia, Singapore, and Indonesia. As for oil sources in the Middle East, we now have committed trade with Oman. Thus, the PAT does not have much interest in Iranian oil.

However, if the government, that is, the ministries of commerce and agriculture, want to engage in such an exchange, the PAT will be glad to cooperate in the program. The one condition is that this trade must not affect the domestic refineries or oil industry, said Dr Anat.

Thailand and Iran once agreed to exchange rice for 200,000 tons of oil. But many problems were encountered in implementing this exchange. For example, the type of crude oil shipped to Thailand was not in line with the needs or refining process of our domestic refineries. And because of the delays in delivering the oil, our domestic refineries incurred additional expenses totaling tens of millions of baht. And it was the government that had to compensate them for these losses. Thus, after completing the purchase of these 200,000 tons of oil, the Thai government made no attempt to extend this trade treaty.

11943

63
BRIEFS

DAILY PESSIMISTIC OVER ASEAN MEETING--The dream of the ASEAN countries, which is to see peace restored to this region, will never become a reality until the countries that support the occupation of Cambodia come to accept this idea. The only purpose of this ASEAN meeting was to inform the people of the world about what has happened. No one, not even the Thai minister of foreign affairs, is sure that this meeting achieved anything. The Cambodian leaders are not strong enough to make decisions on their own. Furthermore, some Cambodian leaders are concerned only about their own survival and have used the Cambodian stage to foster the idea that they still stand side by side with the Cambodian people. But in reality, they are being used as puppets. A solution to the Cambodian problem seems very remote. It will be a long time before the chronic problems in Cambodia are solved. No one knows how the Cambodian matter will end. ASEAN meetings will just be exercises in rhetoric prior to UN meetings as long as the great powers persist in supporting conflicts in various regions around the world and using these countries to create a balance of power among themselves. [Excerpt] [42070285d Bangkok THAI RAT in Thai 16 Aug 87 p 3] 11943

FURTHER ON CROWN PRINCE PROMOTION--LAK THAI was the first to publish a report (Issue 284) on the promotion of the Crown Prince, the commander of the Mahat Lek King's Guard Regiment, to the rank of major general. This promotion will be based on his military position and duties. It should not be considered an "honorary" promotion. Reports concerning the restructuring of the Mahat Let King's Guard Regiment state that even if sufficient personnel cannot be found to upgrade this regiment to a division this year, the Crown Prince will still be promoted. That is, he will be an army special operations officer and serve concurrently as the commander of the Mahat Lek King's Guard Regiment. A news source said that the Crown Prince has advanced rapidly as a "professional soldier" because of his great abilities. He has been promoted in accord with military regulations. It shouldn't be too long before he is a lieutenant general. The three branches of service have conferred the ranks of general, admiral, and air chief marshal on the queen in line with her position and duties. Besides the rank of major general, the Crown Prince is also a rear admiral and air vice marshal. Another very happy piece of news is that this October, the pay rank of Princess Surinthon, who serves as a professor of education at the Chulachomklao Royal Military Academy [CRMA], will be raised to that of a special colonel. At present, there are 12 professors at CRMA, and Princess Surinthon is the senior professor. [Text] [42070285d Bangkok LAK THAI in Thai 20 Aug 87 p 11] 11943
NORTH KOREA TRADE OFFER--A news source in mining circles told NAE0 NA that the Lead Concentrate Company can sell up to 4,800 tons of lead concentrate to North Korea. It will sell this through the Huai Chuan Rice Trading Company of Mr Saman Ophatwong at a price of approximately 430 pounds per ton. This lead concentrate is approximately 65 percent pure lead and is worth a total of approximately 40 million baht. A ship will come to pick up the goods on 17 July. But because North Korea has financial problems, the Bank of Kuwait is providing financial support. It has provided a Letter of Credit for the Huai Chuan Rice Trading Company. The news source said that the lead market was very depressed around the middle of last year. The price declined to only 245 pounds per ton. But now, it has risen to 430 pounds per ton, which is the break-even point for producers. The Lead Concentrate Company can sell this lead concentrate to North Korea though the Huai Chuan Rice Trading Company at a price of 430 pounds per ton, which is considered to be a satisfactory price.

[Text] [42070261a Bangkok NAE0 NA in Thai 9 Jul 87 pp 5, 12] 11943
TABLE OF CONTENTS OF TAP CHI QUAN DOI NHAN DAN, APRIL–JUNE 1987

April Issue

42000852 Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Apr 87

[Text] Following are the contents of the April 1987 issue of TAP CHI QUAN DOI NHAN DAN:

1. Article by Nguyen Van Linh, general secretary of the CPV Central Committee: "Comrade Le Duan, an outstanding leader of our party and people" making Le Duan's 80th birthday. (pp 1-3)

2. Article by Colonel General Tran Van Quang: "The Tri-Thien Campaign--The Culmination of the 1972 Strategic Offensive" recalling various stages of the military campaign against U.S.-Saigon forces in Quang Tri and Thua Thien Provinces in 1972, listing valuable lessons drawn from this "glorious victory," and noting the impact of this campaign on subsequent military drives. (pp 4-12)

3. Article by Colonel General Nguyen Huu An: "Reflections on Some Current Practical Issues in the Cause of Defending the Fatherland" contributing views on three tasks that should be done to achieve renovation in the military fields: studying and correctly assessing the enemy, accurately settling the relationship between the general and the specific, and strongly improve the work style of commanding cadres. (pp 13-20)

4. Article by Lieutenant General Le Xuan Luu: "Renovation of Thinking in the Research on and the Teaching and Study of Social Science" expounding on the important role of social science in the development of Vietnamese society at this juncture and suggesting ways to make the study and teaching of this science more effective and successful. (pp 21-30)

5. Article by Colonel Ho Kiem Viet: "Lenin and the Question of Opposing Bureaucratism" recalling Lenin's efforts to supress bureaucratism following the success of the October Revolution, pointing out how CPV has applied Lenin's teachings on combating bureaucratism in Vietnam. (pp 30-38, 65)

6. Article by Major General Vu Duc Thai: "Economic–Technical Cluster--An Effective Form of Combining economy With National Defense" reviewing successful
experiences of 1st Military Region in coordinating economic building with national defense efforts at district level. (pp 39-45, 20)

7. Article by Colonel Pham Ngoc Lan: "Ensuring Safety in Flight Training" on technical and psychological aspects of flying, discussing necessary conditions for safe training of fliers, and emphasizing qualifications pilots, flight crews, and commanders must have to make flying totally safe. (pp 46-50)

8. Article by Colonel Bui Dinh Nguyen: "The Language of Command" explaining characteristics of language used to convey orders and exert leadership in military organizations, underlining necessary qualities of this language: accuracy, uniformity, clarity, and succinctness. (pp 51-55)

9. "Research on Strategic Theory and Military Strategy" section featuring article by Colonels Pham Xuan Huyen, Giang Ha, and Nguyen Xuan Yem: "Strategic Counteroffensive" defining the role and forms of counterattack in war, recalling famous successful counteroffensives since 53 BC to present. (pp 56-65)

10. "The Armed Forces of Fraternal Countries" section presenting article by Huynh Truc Can: "Czechoslovakia---Some Features of the Statutes of Reserve Officers Training in Colleges" outlining the organization and development of the training of the contingent of reserve officers in Czechoslovak colleges. (pp 66-70)

June Issue

BK231636 Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Jun 87

[Text] Following are the contents of the June 1987 issue of TAP CHI QUAN DOI NHAN DAN received at Bangkok on 20 August:

1. Editorial: "Make the Army Politically Strong," saying that the strength of the Vietnamese Army stems from a combination of many factors of which the political factor is always regarded as a fundamental and prime one and stressing the need to make this army politically strong because it is a people's army and a modern revolutionary of the working class. (pp 1-6)

2. Speech by CPV Central Committee General Secretary Nguyen Van Linh at the Nguyen Ai Quoc Higher Party School on 6 May. (pp 7-18)

3. Lieutenant General Dang Kinh's article: "Local Military Work in Light of the New Situation," pointing to important role of local military work in revolutionary struggle in general and armed struggle in particular, and providing guidelines for the performance of this work in a way that suits the new situation. (pp 19-25, to be published)

4. Professor Colonel General Hoang Minh Thao's article: "The Art of Campaign Leadership in the 1972 Northern Central Highlands Campaign," giving an account of various stages of activities in the campaign launched in the northern
part of the central highlands in preparation for the 1972 strategic offensive aimed at frustrating the plan for Vietnamization of the war by Nixon. (pp 26-32)

5. Colonel Le Hong Quang's article: "President Ho Chi Minh and the Issue of Enhancing the Political Ability of Military Cadres," recalling late President Ho Chi Minh's dedication to constantly enhancing the political ability of party cadres in the armed forces throughout his lifetime. (pp 33-37)

6. Major General Le Xuan Kien's article: "Some Thoughts About the Use of Tanks and Armored Vehicles on Jungle and Mountain Terrains," pointing out complexities of jungle and mountain terrains in Vietnam, which account for three-fourths of the mainland, and stressing the need to study and solve problems that may be encountered in the use of modern weapons and equipment such as tanks and armored vehicles on these terrains. (pp 38-44)

7. Colonel Pham Du's article: "Control the Daily Activities of Troops," stressing the need for commanding cadres of various units, especially those at the grass-roots level, to satisfactorily control all daily activities of their troops and providing some guidelines for this task. (pp 45-51)

8. Captain Nguyen Khac Dieu's article: "The Question of Shaping a Lifestyle in Our Army," saying that the army, as a school to train youths into socialist men, must shape a new lifestyle among all soldiers by intensifying ideological, propaganda, and educational work. (pp 52-58)

9. Major Le Dinh Si's article: "Militia of Great Vietnam," recalling many well-fought battles against Chinese invaders in ancient times, in which the militia forces of various villages and hamlets played a major role. (pp 59-65)

10. Article by Tran Trong: "The Question of Resourcefulness in Military Art," presenting some viewpoints of Soviet writers on the role and position of military resourcefulness in ensuring victories in various campaigns as well as in fighting.
DEVELOPING FISHING INDUSTRY SEEKS COOPERATION WITH USSR

46200034 Tselinograd FREUNDSCHAFT in German 7 Apr 87 p 3

[Unattributed Article: "Changes in the Fishing Industry"]

[Text] Hanoi—Vietnamese fishermen stick by the valued tradition of celebrating their trade festival by showing off a job well done. This year the fishermen have much to be proud of. In addition to the amount planned for the first three months, they have brought to the collection centers hundreds of additional pounds of fish, shrimp, crabs, squid, and other gifts of the sea.

Over the last few years the fishing industry of the Socialist Republic of Vietnam has acquired the reputation of a dynamically developing sector of the national economy. As the catch has grown from year to year so have purchases by the state and exports. Wherever possible, such growth has been encouraged by measures aimed at labor reorganization and at the introduction of incentive pay. Both measures have resulted in substantially raising the fisherman’s interest in the result of his labor.

The reorganization of the republic’s economy after the sixth Communist party congress has also left its imprint on the fishing industry. Nature herself demanded changes too. The expansion of the fishing industry over the past few years was mainly based on the practice of extensive fishing with its inherent danger of overfishing. Now it is high time to consider intensification of the fishing industry. One new technique that enjoys increasing popularity is the cultivation of "seagardens" on flooded coastal plains. Since agriculture has no use for them, they become the site for giant spawning basins where several times a year prime quality shrimp are "harvested."

Within the industry, special attention is paid to the activation of cooperative movements, the introduction of family and work-brigade contracts, and the conclusion of business agreements between the state and the fishermen. Plans for the development of the fishing industry include special considerations for cooperation with the USSR and other socialist countries in the areas of cadre training, technical modernization, and scientific research.
FOREIGN TOURISM AROUND HO CHI MINH CITY

46200041 Tselinograd FREUNDSCHAFT in German 19 Jun 87 p 3

[Unattributed report: "Important Economic Sector"]

[Text] Ho Chi Minh City--The tourist trade in socialist Vietnam is turning into an important economic sector. Thirty thousand foreign guests visited Vietnam last year alone. It is estimated that this figure will virtually double this year. Seventy-five percent of the tourists are said to come from socialist countries, primarily the Soviet Union.

Ho Chi Minh City is the country's largest economic and cultural center, located in the south of the Socialist Republic of Vietnam. Last year it received 6,000 foreign tourists. Comfortable hotels and interesting itineraries await them. This year, the number of foreign guests here will double. They will certainly express interest for the new itinerary, which will take them through three countries in Indo-China--Vietnam, Laos, and Cambodia. The tourists will visit Hanoi, Ho Chi Minh City, Vientiane, and Phnom Penh and become acquainted with the Angkor Wat temple complex, which is justifiably considered a pearl of medieval Khmer architecture.

13233
[Text] Ho Chi Minh City--A research and healing center has been founded in this large economic and cultural center in the southern region of socialist Vietnam. Experienced otolaryngologists work here, many of whom have studied at Soviet medical schools. The center was equipped by the Soviet Union and other socialist countries. It is the first such medical facility to be established in the Socialist Republic of Vietnam. Its purpose is to help upgrade the training of medical personnel specializing in the field of otolaryngology, as well as to improve medical aid for the city's residents, particularly children. In socialist Vietnam, much attention is devoted to protecting the health of the coming generation. Those involved in public health services in Vietnam make preventive measures the number one priority. They were thus able to considerably reduce the child mortality rate last year. The annual immunization program for children up to three years of age is currently being implemented.
TABLE OF CONTENTS OF TRIET HOC, JUNE 1987

42000851 Hanoi TRIET HOC in Vietnamese Jun 87 pp 189-190

<table>
<thead>
<tr>
<th>Text</th>
<th>Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duong Phu Hiep -- To fully grasp dialectical materialist thinking: such as the important content of the present renovation of our thinking</td>
<td>3</td>
</tr>
<tr>
<td>Le Hong Tam -- On the renovation of thinking and building of scientific thinking in our country at present</td>
<td>12</td>
</tr>
<tr>
<td>Le Dang Doanh -- Some problems in the renovation of economic thinking in Vietnam at present</td>
<td>24</td>
</tr>
<tr>
<td>To Duy Hop -- Marxist dialectical methodology -- The problem of inheritance and renovation</td>
<td>38</td>
</tr>
<tr>
<td>Nguyen Kim Yen -- The renovation of thinking in fraternal countries and in our own at present</td>
<td>53</td>
</tr>
<tr>
<td>Hoang Nguyen -- The renovation of thinking in foreign affairs</td>
<td>66</td>
</tr>
<tr>
<td>Tran Dinh Huou -- The democratic ideas of scholars advocating renovation in the early 20th century</td>
<td>79</td>
</tr>
<tr>
<td>Tran Hiep -- President Ho Chi Minh's practical viewpoint on ethics</td>
<td>96</td>
</tr>
<tr>
<td>Do Huy and Van Thu Ha -- Vietnamese women and the development of the new culture and art</td>
<td>106</td>
</tr>
<tr>
<td>Thai Ninh -- The formation of personality</td>
<td>119</td>
</tr>
<tr>
<td>P. N. Fedoseev -- The methodological and practical significance of dialectical materialism</td>
<td>135</td>
</tr>
<tr>
<td>N. N. Kozlova -- Some theoretical problems in the formation of socialist consciousness in the masses</td>
<td>145</td>
</tr>
</tbody>
</table>
Books

--The objective laws of social and political development 157

--The dialectics of the objective and the subjective in the manifestations of social laws 164

Information

--To get-together of contributors to the review Philosophy 171

--Symposium on the renovation of ideological struggle in face of the situation at home and abroad at present 174

--Academician Savva Ganovki 176

--The objectives and forms of research in the history of philosophy 180

9274

- END -
SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in 8 volumes: China, East Europe, Soviet Union, East Asia, Near East & South Asia, Africa (Sub-Saharan), Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications generally contain less time-sensitive information and are published periodically. Current JPRS publications are listed in Government Reports Announcements issued semi-monthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcovers or microfiche) at no charge through their sponsoring organizations. DOD consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.) For additional information or assistance, call FBIS, (703) 527-2368, or write to P.O. Box 2604, Washington, D.C. 20013.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. New subscribers should expect a 30-day delay in receipt of the first issue.

Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.