



Indochina

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Foreign Ministers Address U.N.

The Foreign Ministers of Cambodia, Laos and Vietnam recently came to the US to address the 49th Session of the UN General Assembly. Following are excerpts from the speeches delivered. The full texts of the Foreign Ministers' statements are available from the Indochina Project.

Cambodia

On 30 September, H.R.H. Norodom Sirivudh, Deputy Prime Minister and Minister for Foreign Affairs and International Cooperation, addressed the UN. "I have come here today to represent the Cambodian people in expressing our warmest gratitude to the members of the United Nations for their wonderful gift of freedom. After 23 years of war Cambodia is now at peace and able to start to move towards development, social justice and prosperity.... Cambodia remains one of the poorest countries in the world and a large proportion of our people are saddled with crushing poverty. [But] in the economic field, there has been some progress over the past years. According to the 1992 report, inflation rate was estimated to be 300% but in 1993 it dropped to 70%. This year our local currency is very stable, US\$1 is equal to 2500 riels....[A]s assistance moves from the emergency rehabilitation phase to...reconstruction, rural development has unfortunately lagged behind other developments. Constraints of distance, an infrastructure ruined by two decades of war and a continuing insurgency have hampered efforts. But in our second year of office the government, with our friends, will tackle those problems..."

"Cambodia has itself been through the holocaust of tyranny, invasion and internal disturbances. Our national assembly is now in the process of restoring Cambodia as a judicial state where all human rights, political pluralism and liberal democracy and above all the freedom of expression are respected..."

"As we move towards development and prosperity for the kingdom we welcome the friendship of the member countries of ASEAN.... At an appropriate time, Cambodia looks forward with great enthusiasm to full membership of ASEAN. We will be overjoyed to see that one day all 10 countries of our sub-region will join in this august ASEAN family. This will be a positive development for the harmony and security of our part of the world....Cambodia also welcomes the positive developments around the continuing growth of APEC to use the economic achievements of the most prosperous of the nations of our wider region as a springboard for further growth. Peace and stability are things which Cambodia highly values..."

Laos

On 4 October, H.E. Somsavat Lengsavad, Minister of Foreign Affairs, addressed the UN. After emphasizing the importance of the international body in maintaining cooperation between nations of the world "after the end of the bipolar era" that characterized the era of the Cold War, Somsavat keyed on the importance of growing amity between the nations of Southeast Asia.

"In Southeast Asia, a new era of cooperation [is dawning] between the nations of the region, during which each nation will be able to consolidate its position to mutual advantage. The inauguration, this past April, of the bridge of friendship between Laos and Thailand, completed with the cooperation of the government and people of Australia [reinforces] regional cooperation."

The Minister of Foreign Affairs went on to detail Lao relations with each of its neighbors. While he admitted that "the international political environment" remains "uncertain," he held out hope that the decades-long troubles that plagued Southeast Asia were finally at an end. "The only way to maintain peace," he said in conclusion, "is through a dialogue between states that will maintain both peace and international security."

Vietnam

On 7 October, H.E. Nguyen Manh Cam, Minister of Foreign Affairs, addressed the UN. "...Over the past year, there have been certain positive developments in the world economy. In a number of countries there have been signs of recovery. Globalism and regionalism have accelerated. Economic competition is acute and, in this context, the developing countries continue to bear innumerable disadvantages. A number of developing countries are in the midst of poverty and backwardness, millions of people are threatened by starvation with every passing day.... [I]t is an ever pressing demand to...narrow the gap of levels of development between the North and the South for the sake of sustainable and lasting peace..."

"In today's world of increasing awareness of national independence, respect for the rights of nations to determine their own way of development and to maintain their national identities constitutes an indispensable condition for maintaining peace and stability and expanding international cooperation. Blockade or embargo, sanctions or imposition of one's will in international relations are relics of the past"



and run counter to the aspirations of the peoples, the common trend and the international law....

"[W]e have been pursuing a foreign policy of openness, diversifying and multilateralizing our relations of friendly cooperation with all other countries in striving for peace, independence and development....In its foreign policy, Vietnam gives first priority to enhancing the relations of friendship and cooperation with neighboring countries in the region, and actively contributing to the building of South East Asia—a region of peace, stability, cooperation and development. Vietnam's bilateral relations with each of the ASEAN countries and with ASEAN itself, particularly in the economic and trade fields, have undergone unprecedented, rapid and positive developments....[L]ast July, the ASEAN foreign ministers unanimously supported Vietnam's full membership in this association....

"Vietnam is of the view that the countries of the region should consolidate existing points of agreement, narrow differences so as to settle disputes including those on the Eastern Sea through bilateral and multilateral negotiations among directly concerned parties, without resorting to the use or threat of use of force....

"The United States of America's lifting of the embargo imposed upon Vietnam has opened up new prospects for building and broadening multi-faceted cooperation between our two countries in the interests of the two peoples and those of peace, stability, cooperation and development in the region and throughout the world.

"Multilateral relations, especially within the framework of the United Nations, are playing an increasingly important role.... For its part, Vietnam will unceasingly strive to make positive contributions to the common cause of the United Nations for peace, development and social progress in the entire world."

TRADE/INVESTMENT

Cambodia updates

◆ **Grand Hotel seized** - The government has seized the French colonial-era Grand Hotel near Angkor Wat from its lessee, Thai-owned SK (Siam Kampuchea) Air, stating SK Air failed to fulfill its contract to renovate the hotel. Tourism Minister Veng Sereyvuth said, "Despite repeated requests they did not make any attempt to renovate and redevelop the property. We tried everything to get them to perform and in the end we had no alternative but to terminate the contract." Sereyvuth said foreign investors should not be concerned at the government's action, saying SK Air had breached Cambodia's investment code and the government was merely exercising its contractual rights. A temporary manager has been appointed for the hotel and Cambodia will soon announce a tender to find a new investor.

◆ **Hotel bookings up** - According to the weekly Phnom Penh-based business journal, *International Management and Investment Consultants (IMIC) Bulletin*, the capital's hotels are reporting a rise in occupancy rates for the winter season. "Hoteliers in the Cambodian capital have been weathering

recent lean times remarkably well, with some of the more than 200 registered hotels reporting that business has begun to pick up," the bulletin said. The Allson Star Hotel reported 50-80% booking rate beginning this month, up from 30%. The report credits Cambodia's new investment law [see *Digest*, 5 Aug], with attracting more businessmen to the capital. Low occupancy in recent months was attributed to reports of political instability and recent Khmer Rouge hostage taking.

◆ **Pre-fab plastic houses** - The *Phnom Penh Post* reported Canada's Royal Plastic Housing Group (RPHG) plans to invest in a US\$40 million factory to produce polymer composite houses for the Southeast Asia region. The factory, which would create 800 jobs and indirectly generate employment for 3,000 others, would have an estimated annual output of 12,500 units, selling for between US\$7,000 and US\$8,000. The 40 square meter homes can be assembled in three days by joining plastic panels with minimal cement. A RPHG official said, "Cambodia will be [the production center] for the next revolution in the housing industry, an industry that is growing because the need is immense in the region. . . . The houses are earthquake-proof, hurricane-proof and even bullet-proof. They will last 200 years."

Laos's pre-fab cement bridges

On 11 October, the Swedish construction group Skanska AB announced it won a contract worth 60 million Swedish crowns (US\$8.1 million) to construct nine bridges on a main highway. The 2-year Nordic-aid funded project involves replacing steel bridges with pre-fabricated concrete bridges.

Vietnam updates

◆ **US moves up to #12** - On 7 October, *Vietnam News Agency (VNA)* reported the US is now Vietnam's 12th largest foreign investor. VNA said, "The US now has 20 investment projects operational in Vietnam with a total capital of nearly US\$189 million, ranking 12th among the 50 foreign investors in the country." It said every week five to six groups of American businessmen visit the State Committee for Cooperation and Investment (SCCI) to explore investment opportunities. "Vietnamese economists paid tribute to the high financial potential, good experience in economic management, modern technology and feasible projects of US investors," VNA said.

◆ **New World Hotel** - On 8 October, the New World Hotel Saigon opened in HCMC. Hong Kong's New World Development Company is the major investor in the US\$62.5 million, 14-story, 541-room hotel. New World plans to build a US\$25 million, 25-story office tower next to the hotel, and to complete another hotel, Ramada Riverside, which is already under construction.

◆ **Australian bakery goods** - On 6 October, the Australian food company Burns, Philip & Co. Ltd. announced plans for a US\$10 million joint venture partnership with Vinasugar to open a factory to produce yeast and bakery needs in Dong Nai province. Spokesman Allen Evans told *Reuters News Agency* the factory is expected to produce 10,000 tons of yeast annually. Vietnamese government approval of the venture is expected by the end of the year, and the factory will be fully operational by mid-1996.



VIETNAM

Rare animals die

On 9 October, the *Vietnam Investment Review* reported that the only two captive specimens of the newly identified species, the Vu Quang ox, died [see *Digests*, 5 Aug & 22 Apr]. The animals were being held at a Ministry of Forestry reserve outside Hanoi. A forestry ministry official said one of the animals died of diarrhea while the other died from liver and bladder problems. Vo Quy, director of environmental studies at Hanoi University, said the animals died because their keepers knew little about the animals' diet and habitat, urging wildlife officials not to try to capture more oxen until they study them in their natural setting. "It is a mistake if we catch them and put them in the zoo now," Quy said. Quy said he recommended adding the ox and Giant Muntjac deer to an international list of endangered species in order to discourage hunters from killing them and selling the antlers, bones and hides.

Flood damage (cont.)

The worst flood in the Mekong Delta in 16 years has killed at least 180 people, displaced over 1 million people, and caused damage to crops and property estimated at US\$125 million [see *Digests*, 7 Oct & 20 Sep]. Over 200,000 tons of rice have been destroyed and fruit trees have been severely damaged. Across Vietnam, adverse weather and flooding have killed 260 people and destroyed 700,000 tons of food crops. Officials said growing prosperity in the delta region meant damage this year was more severe than in the major floods in 1978. "Now people have more to lose," one official said. In order to avoid domestic rice shortages, Prime Minister Vo van Kiet told commerce and agriculture ministries to cut or delay rice exports if necessary. At least 18 ships are waiting to load rice at Saigon port and other ports near HCMC as the floods are causing delays in transporting rice to the ports. International aid of US\$800,000 has been pledged for Mekong Delta flood victims.

Thailand arrests fishermen

On 9 October, the Royal Thai Navy captured a Vietnamese fishing trawler and arrested 20 crewmen on suspicion of piracy. The boat was seized about 60 miles from the Thai resort island Ko Samui, and about 22 miles from the rich Erawan natural gas field, in the Gulf of Thailand. A Thai navy officer said, "We found no weapons or illegal materials on the captured boat but our patrol boat reported that the Vietnamese jettisoned some unidentified boxes when our boat was getting close.... We are not sure now if these Vietnamese came in to rob or conduct intelligence warfare, but they came too close to the gas wells and the mainland."

More maritime problems with China

On 14 October, China criticized Vietnam for trying to attract foreign investors to develop the Beibu Gulf, in the maritime area between Vietnam and China's Hainan Island. China's Foreign Ministry spokesman Chen Jian accused Vietnam of holding "business tendering conferences" in London and Houston in September, "releasing notice of invitation for

bids for the Beibu Gulf, including its entire intermediate areas and the adjacent waters of China's Hainan Island. . . . The above mentioned move taken by the Vietnamese side completely runs counter to the agreement on fundamental principles for the solution to the boundary issue concluded between the two countries and grossly violates China's sovereign rights over the Beibu Gulf."

CAMBODIA

Ranariddh promises no mass expulsions

Cambodia's First Prime Minister Prince Norodom Ranariddh has assured UN Secretary General Boutros Ghali there is no threat of mass deportation of foreigners living in Cambodia under the highly criticized immigration law passed last August. [see *Digests*, 30 Sep & 26 Aug]. In his 19 September letter to the Secretary General, Prince Ranariddh said, "In my capacity as First Prime Minister, with his Excellency Samdech Hun Sen, I can give you every assurance that no decision intending to massively expel or cordon foreigners will be taken." The letter also stated Ranariddh's commitment to discussing the law with countries directly affected by it, particularly Vietnam.

Of particular concern are the 6,000 ethnic Vietnamese living in camps at Chrey Thom which borders Vietnam. In 1993 Khmer Rouge attacks forced over 20,000 ethnic Vietnamese out of their fishing communities of Tonle Sap (Great Lake), who fled to Chrey Thom. They are a fraction of the estimated 150,000-400,000 ethnic Vietnamese whom it is feared could be targeted under the new immigration law.

Anti-corruption law drafted

In a 10 October interview with *Reuters News Agency*, Kem Sokha of the National Assembly said concern over the link between political instability and corruption prompted a group of law makers to draft new anti-corruption legislation. "Corruption is a big problem in Cambodia. If the government doesn't think about corruption, they will not be able to be rid of the problem of an unstable situation," he said. The draft law holds public servants accountable for any unusual accumulation of wealth and provides means for legal action and confiscation when such wealth can not be explained. The law also proposes establishing a national anti-corruption committee to investigate allegations of abuse by both public and private individuals.

In a related development, according to *Rasmei Kampuchea*, Second Prime Minister Hun Sen has demanded provincial officials to stop taking bribes from businessmen and from complicating business deals already approved by Phnom Penh by requesting additional unnecessary paperwork. Hun Sen said it was a "shame" that these officials were frustrating the government's attempts at attracting foreign investors.

Khmer Rouge mining Battambang

On 12 October, local officials in Battambang province reported daily casualties as a result of land mines being laid by the Khmer Rouge in rice fields and farms in eastern



Bavel, Ratanakmondul and Banan districts. Second Deputy Governor Nam Tum said, "People get killed every day -- at least three people are admitted to our hospitals a day as a result of mine or other munitions explosions...[the Khmer Rouge] collect old, unexploded ammunition like 60mm mortar (bombs), 80 mm mortar and hand grenades, and make mines or booby traps from them." The Cambodian Mine Action Center said it has been receiving reports of new mines being laid in the area.

US Peace Corps agreement

The US and Cambodian governments have signed an agreement to initiate the process of establishing a Peace Corps mission in Cambodia. The agreement was signed in Washington by Peace Corps Director, Carol Bellamy, and Cambodian Foreign Minister Prince Norodom Sirivudh on 3 October. According to an 11 October statement by the US Embassy in Phnom Penh announcing the agreement, any Peace Corps operations would be contingent on the assurance of security for the volunteers.

WHO AIDS director to visit

Dr. Michael Merson, head of the World Health Organization's AIDS program will visit Cambodia from 17-19 October. A senior WHO representative in Phnom Penh expressed concern at the alarming increase of HIV positive cases. "We need urgently to do something about it--it's getting very close to Thailand in size and that's one of the reasons for Dr. Merson's visit," a WHO spokesman said. Some health experts maintain that since 1991 the number of AIDS cases in Cambodia have been increasing at twice the rate of Thailand.

FYI

My Lai conference

A conference on the 25th anniversary of the disclosure of the My Lai massacre will be held at Tulane University in New Orleans, Louisiana from 1-3 December 1994. Entitled "My Lai 25 Years After" the conference will explore whether My Lai was "an aberration, uncharacteristic of the war and the way it was waged [or] emblematic and symptomatic of [US] conduct of the war." Participants will include Pulitzer Prize winning journalist Seymour Hersh, noted author Tim O'Brien, Dr. Robert Jay Lifton, Audry Daniels (who prosecuted Lt. Calley) and many others. Registrations must be received by 1 November. Those interested may contact Dr. Randy Fertel at University College, Tulane, New Orleans, LA 70118 or phone/fax 504-522-0408. Registration cost of the 3 day conference is US\$15, meals extra.

Vietnam Trade Minister reception

On 25 October, the US-Vietnam Trade Council and the Asia Society will host a reception for Vietnam's Minister of Trade Le van Triet, from 6:30 - 8 pm at 1785 Massachusetts Ave., NW, Washington, DC. The fee for Trade Council and Asia Society members is US\$7, and US\$9 for non-members. For more information, contact the Trade Council at 202-547-3800.

September's SNAFU

A miscommunication between the Indochina Project and our printer resulted in the 30 September issue of the *Indochina Digest* being mailed to our domestic subscribers late. We regret any inconvenience.

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Project

2001 "S" St., NW, Suite 740
Washington, DC 20009
USA
Phone: (202) 483-9222
Fax: (202) 483-9314



ID#3,777