



Indochina

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TRADE/INVESTMENT

Angkor-man

On 7 November, Cambodia signed agreements worth US\$60 million to build a luxury hotel and create a cultural show at the Angkor Wat temple complex. Malaysia's YTL Corp Bhd signed a memorandum of understanding on the creation of a US\$40 million light-and-sound and cultural show, while Monomas Bhd, another Malaysian firm, signed a US\$20 million deal to build a luxury hotel in Siem Reap, four miles from the complex. Tourism Minister Veng Sereyvuth said that a 2470 acre site has been set aside for a tourism development zone. He also said the government is considering a plan to construct a replica of the temple complex. The government hopes the project will attract up to US\$1 million in foreign investment.

Vietnam updates

♦ **Dredging up old partners** - On 9 November, Baltimore-based Ellicot Machine Corp International signed a US\$12 million deal for the supply of harbor dredgers [see *Digest*, 30 June]. Ellicot sold twelve dredgers to Vietnam in the 1950s and 1960s, five of which are still in use. A company executive said Vietnam "desperately needs" port development and estimated the country's demand for dredging equipment over the next few years may total tens of millions of dollars. US Secretary of Transportation Federico Pena, who attended the signing, said he hoped "today's signing is another giant step forward in bringing our two countries closer together."

♦ **Looking for loans** - Taiwan's Central Trading and Development Corp says it is seeking loans to finance its US\$242 million city development project in HCMC. A company official said, "We hope to obtain the US\$170 million worth of syndicated loans from offshore banking units led by First Commercial Bank soon." The Saigon South project, which includes development of a commercial center, an industrial zone and a residential district, began in mid-1995 and will be completed in 2002 [see *Digest*, 15 Jul 94].

♦ **Bank of China** - The Bank of China announced that it will open a branch in HCMC in December, making it the first bank from the People's Republic of China in Vietnam. A Hanoi office may soon follow. The Bank already makes loans to Vietnamese state-owned companies.

♦ **John Hancock** - US-based John Hancock Mutual Life Insurance Company has said it will apply to open a representative office in Vietnam early next year [see *Digest*, 12 Aug 94]. Currently, only three life insurers have offices in Vietnam.

♦ **Daewoo** - Daewoo Corp announced that it has begun production at the first tarpaulin production plant in Vietnam. Vina Tarpaulin, Inc, a 50-50 joint venture with Korea Tarpaulin located in Song Be Province, expects to produce 3500 tons of tarpaulin annually. Annual sales are forecast at approximately US\$6 million.

VIETNAM

2 Americans released, deported

On 5 November, Vietnam expelled two Vietnamese-Americans convicted of attempted subversion last August [see *Digest*, 18 Aug]. Nguyen Tan Tri and Tran Quang Liem were arrested with seven others in November 1993 for attempting to hold an international conference on development and democracy in HCMC [see *Digest*, 26 Nov 93]. The government originally stated that the two would be expelled after completion of their sentences of seven and four years respectively. US State Department spokesman Nicholas Burns said the release of the two was a "direct response" to requests made by Secretary of State Warren Christopher. He added, "The release is a welcome humanitarian action by the Vietnamese government in the interest of better relations between our two countries." The *Vietnam News* reported, "The decision on their expulsion was made on November 3 at the request of the U.S. government."

In with the old . . .

On 8 November, the Hanoi People's Court sentenced two veteran communist dissidents on charges of acting against the Vietnamese people and state. The precise reason for the men's arrests in June [see *Digest*, 30 Jun], has not been confirmed, but friends and family say Hoang Minh Chinh, a 76 year old former head of the Institute of Marxist Leninist Philosophy, was arrested for circulating a petition calling for the rehabilitation of more than 30 top officials who were purged in the late 1960s for opposing ties to China. Do Trung Hieu, a 57 year old former soldier and war veterans activist, was said to have been arrested on charges of distributing anti-socialist propaganda. They have been sentenced to 12 and 15 months respectively. The court said their actions violated the penal code of Vietnam for "abusing freedom and democracy rights to impair the interests of the state and society" and "ran counter to the government's policies, causing bad influence on some people's confidence in the party and state's policy and laws."



Resistance reportedly in Cambodia

On 4 November, *Reuters News Agency* reported on anti-communist Vietnamese in Cambodia plotting to overthrow the government in Hanoi. "It does exist, we are taking measures against it," said Cambodian Co-Interior Minister You Hockry. Another Cambodian official told *Reuters*: "I learned about this some time ago. They haven't done anything so we can't take action." The 9 November issue of the *Far Eastern Economic Review* reported that elements in the Cambodian government permit the groups to operate and provide assistance, on promises that the Vietnamese will leave Cambodia. On 3 November, the *Phnom Penh Post* reported that former South Vietnamese president Nguyen Cao Ky recently visited Cambodia to organize resistance operations. Ky is allegedly allied with an anti-communist group which calls itself "Operation Bravo." Vietnamese authorities raised this issue with US Secretary of State Warren Christopher during his visit to Hanoi in August. US Ambassador to Cambodia Charles Twining said the US is against "any group that interferes with Vietnam's improved relations with the world - if you want to change the country you have to work peacefully."

He's back

Robert McNamara, former US Secretary of Defense and author of the recently published *In Retrospect: The Tragedy and Lessons of Vietnam*, visited 7-10 November as part of a delegation from the New York-based Council on Foreign Relations. The delegation met with several organizations, including Hanoi's Institute of Military History and Institute of Defense Strategy, in preparation for a conference next year which will examine opportunities for cooperation in historical analysis of the conflict. On 9 November, McNamara met with retired General Vo Nguyen Giap, who was chief strategist for the Communist forces. After the meeting, McNamara said he was impressed by "the lack of hostility and the willingness to meet and discuss what in a very real sense was a tragedy for both nations." Giap told reporters, "I told him the fact that he came here, that means the situation between us now is very different."

Updates

◆ **Losing interest** - Vietcombank announced 6 November that it is reducing interest rates with immediate effect on Vietnamese currency loans in an effort to speed growth. Interest rates on commercial and service sector *dong* loans will be reduced from 2.1% per month to 1.9%, rates on loans to the production sector will be reduced from 1.8% per month to 1.6% and rates on medium to long term loans will fall .1% to 1.6% per month. The existing rates of bank deposits, savings and time bonds issued by the bank remain unchanged.

◆ **Accord signed with Philippines** - It was announced on 8 November that the Philippines and Vietnam have agreed to a code of conduct in the Spratly Islands after three days of talks in Hanoi [see *Digest*, 20 Oct]. The nine-point code includes provisions for the protection of marine resources and freedom of shipping and air traffic in the area. The two delegations also agreed that repatriation remains the best solution to the problem of 2600 boat people kept at Palawan Camp in the Philippines.

◆ **British trade minister visit** - On 6 November, a delegation of 30 British business executives and officials arrived in Hanoi on a trade mission. The delegation was led by Lord Fraser of Carmyllie, Minister of State at Britain's Department of Trade and Industry. Fraser commented on Vietnam's continued high growth. "UK performance in the region is keeping up with these opportunities, but only just," he said. "We recognize the need for continued hard work to build on our present position."

◆ **APEC push** - On 8 November, an official with the Canadian Imperial Bank in Singapore said that ASEAN will push for Vietnam to become a member of the Asia-Pacific Economic Cooperation (APEC) group at the APEC summit in Osaka, Japan, this month. "ASEAN is expected to back Vietnam's case to become a member of APEC now that it is a part of ASEAN," he said.

◆ **Visa procedures relaxed** - On 7 November, Vietnam announced that officials of ASEAN countries with diplomatic or official passports will not require visas to enter Vietnam for visits of 15 days or less. Vietnam missions abroad can issue visas in one or two days to ASEAN citizens visiting the country for 15 days or less. Visa processing will also be expedited for overseas Vietnamese.

CAMBODIA

Contract with Cambodia

On 9 November, former Finance Minister Sam Rainsy officially launched his Khmer Nation Party (KNP) at an early-morning meeting, followed by a rally attended by approximately 1000 supporters. "We have met all conditions and abided by all laws," he said. "Now we are entitled to declare the Khmer Nation Party is officially launched." The interior ministry had tried to stop the party's formation, saying it had failed to comply with government regulations, but took no action on 9 November. Co-Interior Minister You Hockry said the party is illegal, but the government would not prevent its launch. "The government and the Ministry of the Interior have no intention to hinder the launching of Rainsy's party. We respect his rights and freedoms, but now he's starting not to respect the law," Hockry said. "If he wants to launch a party he can, but if something happens I will not accept responsibility." Rainsy said he hopes the KNP will provide an alternative to the ruling coalition of FUNCINPEC and the Cambodian People's Party.

Human rights report disputed

The Cambodian government officially responded to September's UN human rights report, which criticized Cambodia's current human rights situation. The report, prepared by UN human rights envoy Justice Michael Kirby, expressed disappointment in "government inaction on previous recommendations" and added that the government is "facing enormous difficulties re-establishing a civil society." In a statement released 6 November, Cambodian Secretary General Nady Tan called the report "unreal" and "outdated" and complained that the report contained at least 15 "unsubstantiated assertions." Despite the report's negative reception, UN officials say the fact that the government is "actively responding" is a positive sign.



Updates

◆ **German mine clearance** - On 3 November, Rupert Neudeck of Germany's Komitee Cap Anamur told *Reuters News Agency* that the group has reached an agreement with the Cambodian Mine Action Center to start clearing mines in Battambang province. Neudeck said the group, which has helped clear mines in Angola, will send three experts to work with a platoon (30 men) of mine clearers. The project will require DM\$2 million (US\$1.4 million) for the first year of operation and could expand to other provinces.

◆ **Rice is nice** - Malaysian National Unity and Social Development Minister Paduka Zaleha Ima said 5 November that Malaysia has sent 1000 tons of rice to Cambodia to help those suffering from food shortage. She formally presented the rice to King Norodom Sihanouk during a three-day visit that ended 8 November.

◆ **Guerrillas in the mist** - A Cambodian government report stated that more than 300 Khmer Rouge guerrillas defected to the government the last week of October. The defectors, including 4 officers, are the first reported since May.

LAOS

Red Sonja

On 9 November, the second session of the Russo-Laotian inter-governmental commission for economic, scientific and technological cooperation concluded in Vientiane. Speaking to the commission, Foreign Minister Somsavat Lengsavad stressed the importance of strengthening ties between Laos and Russia. The Russian delegation was headed by Minister of Construction Yefim Basin, who signed a number of agreements aimed at increasing cooperation between the two nations. The commission's first session was held in February 1994 in Vientiane.

Power up

Siridat Glankwahnadee, Assistant Governor of the state-owned Electricity Generating Authority of Thailand (EGAT), told *Reuters News Agency* on 8 November that EGAT would consider a proposal by Laos to sell it another 6000 megawatts of electricity. EGAT has already signed a memorandum of understanding this year under which it will purchase 1600 megawatts from four sites in Laos by the year 2000. The issue was expected to be discussed at the meeting of the Thai-Laotian Joint Commission 8-9 November; however, Siridat said the proposal would be considered on the that condition a previous dispute over prices charged for electricity was settled first [see *Digest*, 27 Oct].

Mekong photo exhibition

A comprehensive collection of historic photographs of the Mekong River is being exhibited in Vientiane at the French Language Center from 7 November. The exhibition includes more than 360 photographs and etchings from the 17th century to the 1930s. The exhibition is sponsored by France's Centre d'Histoire et de Civilisations de la Peninsule Indochinoise, the Lao Institute of Culture, and the French Embassy in Vientiane. Laos was selected as the exhibition's first site, where it will remain for one month before moving to Vietnam, Singapore, Malaysia, Hawai'i, and Europe.

US POLICY

Delegation permeation

◆ **Transportation secretary** - US Secretary of Transportation Fredrico Pena visited Hanoi on 8-9 November [see *Digest*, 27 Oct]. Pena was accompanied by executives from more than two dozen major US firms, including Federal Express Corp, Caterpillar Inc, Ellicott Machine Corp International, Raytheon Corp, and American President Lines Ltd. The delegation met with Prime Minister Vo van Kiet, Foreign Minister Nguyen Manh Cam, and Minister of Transportation and Communications Bui Danh Luu. Pena called the meeting with his Vietnamese counterpart "very productive." During the visit, Pena said the Clinton Administration's first priority remained the fullest possible accounting for missing American servicemen, but that the president "also believes in building a new future" between the two countries.

◆ **Interagency group** - A 15-member interagency delegation visited Vietnam on 6-10 November [see *Digest*, 3 Nov] to discuss trade relations. The delegation was led by Deputy Assistant Secretary of State for International Finance and Development Alan Larson, and included officials from the State Department's Bureau of Economic and Business Affairs, the US Trade Representative's Office, and the Departments of Commerce and the Treasury. A State Department official said that the purpose of the delegation "to conduct a fact-finding mission to explore possibilities for expanding economic relations." The official also said that "in addition to fact-finding, the delegation is educating the Vietnamese authorities on US concerns and requirements attendant to expansion of economic ties, including a bilateral trade agreement, Jackson-Vanik freedom of emigration issues, worker rights, bilateral debt, and other economic topics."

◆ **USIA delegation** - On 6 November, a 20-member delegation of US business, academic, and non-profit leaders arrived in Hanoi for a six-day visit, sponsored by the US Information Agency (USIA), under the auspices of Vietnam Veterans of America Foundation (VVAFF) and the US-Vietnam Trade Council. The delegation is being led by Dr. John Loiello, USIA Associate Director for Educational and Cultural Affairs, and Robert D. Morgado of the New York-based firm Debevoise & Plimpton. The purpose of the visit is to expand ties between US private sector leaders and Vietnamese leaders, with the goal of building training programs, professional exchanges, and business ties.

◆ **Presidential (MIA) delegation** - A presidential delegation, led by Deputy Secretary of Veterans Affairs Hershel Gober, is scheduled to travel to Vietnam later this month to press for further progress on the MIA issue. On 2 November, Assistant to the President for National Security Affairs Anthony Lake and several other senior administration officials met with representatives of the American Legion, Disabled American Veterans, Veterans of Foreign Wars, American Veterans of WWII, Korea, and Vietnam, Vietnam Veterans of America, and the National League of Families, to review the MIA issue. The Military Personnel Subcommittee of the National Security Committee of the US House of Representatives is scheduled to hold hearings on the MIA issue on 14 November.



House hearing on Human Rights

On 8 November, the Subcommittee on International Operations and Human Rights and the Subcommittee on Asia and the Pacific of the US House of Representatives Committee on International Relations held a hearing on Human Rights in Vietnam. The hearing was chaired by Rep. Christopher H. Smith (R-NJ), with active participation by Rep. Dana Rohrabacher (R-CA), Rep. Benjamin Gilman (R-NY), and Rep. Eni Faleomavaega (D-American Samoa). Rep. Howard Berman (D-CA), the ranking minority member of the Asia and Pacific subcommittee submitted a statement for the record.

Witnesses from the administration included Deputy Assistant Secretary of State for East Asia and the Pacific Kent Wiedemann, and Steven Coffey, Acting Deputy Assistant Secretary of State, Bureau of Democracy, Human Rights, and Labor. Coffey said that the US has "seen the beginnings of potentially hopeful trends" in human rights in Vietnam, but there remain concerns. "We believe that normalization has afforded us new channels in and through which to advance human rights in Vietnam," Coffey said.

Private sector witnesses included Nguyen Tan Tri, who was recently released from Vietnam, Nguyen Chi Thien, a poet and former prisoner who recently arrived in the US, and Tran thi Thuc, wife of imprisoned dissident Doan Viet Hoat. Other testifying included Mike Jendrzeczyk of Human Rights Watch/Asia, Nina Shea, Puebla Program on Religious Freedom, Freedom House, Vo van Ai of the Vietnam Committee on Human Rights, Tran Tu Thanh of the Vietnam Helsinki Commission, and Thich Gia Duc of the Vietnamese American Unified Buddhist Congress.

FYI

Film debut

"Than the Invisible War", a National Film Board of Canada documentary on the human effects of landmines on civilian populations, will premier in the US at Dag Hammerskjold Theater at the United Nations in New York City on 21 November. The film, directed by Michel Regnier and produced by Iolande Cadrin-Rossignol, tells the story of a Cambodian woman who is maimed a mine blast. This screening, organized by UNICEF, will include presentations from Carol Bellamy, Executive Director of UNICEF, and Sandra MacDonald, Chairperson of the National Film Board of Canada. For more information, contact Jack Horowitz at the National Film Board, 613-995-8020; or William Hetzer of UNICEF, 212-326-7290.

Vietnam business symposium

The American Foreign Service Association (AFSA) is sponsoring a symposium, *Vietnam: Challenges and Opportunities*, on 29 November in Washington, DC. The symposium, co-sponsored by the US-ASEAN Council and the US-Vietnam Trade Council, will include 75 guest speakers with two plenary sessions and seven issue-specific sessions. The luncheon address by Senator Christopher Bond (R-MO) will be hosted by Assistant Secretary of State Winston Lord. There will be an evening reception, hosted by Joan Spero, Tex Harris, and H. Edward Henway, with Amb. Le van Bang as the guest of honor, and a toast by Brunei's Ambassador to Washington Dato' Jaya Abdul Latif Jaya. For more information, contact AFSA Conference Affairs at tel: 202-338-4045; fax: 202-338-6820.

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