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Document Number 3

Examination of control and implementation of the policy line on restoring the economy and preparations to build the country in every sector

This document concerns Economy, Finance, Culture and Social Action.

I. Control and implementation of the Party's policy line to build agriculture

Objective:

To examine the control of, the absorption of, and the implementation of the Party's agricultural line to push agriculture to expand in a great leap to the maximum according to the instructions of the Party.

Explanation:

To quickly build the country to prosperity, agriculture must be taken as the foundation. Therefore, agriculture is the key to restoring and building our economy.

To have agriculture prosper in bounds according to Party objectives, what must be the direction of preparations?

We must quickly prepare to transform from backward agriculture to modern within 10 to 15 years. This is the objective. If we look at this time wise, we see that as being very fast.

What characteristics must we have?

1 – Must master the land, from 70 to 80 percent.

2 – Must have machinery, from 70 to 80 percent.

00072368

-2-

3 – Fertilizer and agricultural chemicals, from 70 percent.

4 – Electricity and energy, from 60 to 70 percent.

5 – Agricultural scientific experience from 60 to 70 percent.

These objectives are set at a very high level. We must really work urgently to achieve these objectives.

This matter demands the preparation of forces in every sector to really be orchestrated: machinery, fertilizer, water, etc. The distance of the road we must walk is very great, and the time is short. We look at it like this so that we all will be audacious and work most actively in the rhythm of an offensive. Can we do it, or not?

We have much good land, which is in our favor to a large extent. In comparison to China and Korea they have things favorable at level 10, and we at 50 times that.

The fertilizer in our country is very favorable to us as well. We have much animal manure, silt, mountain soil, bat droppings, etc. In comparison to other countries, Vietnam for example, they don't have this like we do.

Furthermore, we have cooperatives which are the property of the collective. It is easy to arrange everything. Today, we have only people's cooperative ownership and state ownership.

Therefore, comparing revolutionary eras, China, Korea, Vietnam, we were the fastest, 30 years faster. This is very good. We have another good characteristic, having people trained and forged in a war fought hotly and at a high level. Along with this, we have the Party leading correctly, and we have a proper agricultural line. The Party leads the people well. Aside from this, we still have other general good characteristics,

00072369

-3-

like machine shops, mechanical technology, and we have some foreign aid.

What are our important weak points?

Our weak points are only technical. We resolve this point as we go, and we have faith that we can certainly do that. In comparison with the speed at which they worked in China and Korea, we will do it in a short period of time. We conclude that we can certainly do it.

Technical experience solved water in Korea. They use machinery. If we can solve machinery, we can solve water. Do our machines have the capability to do it? According to examination, during the next six to seven years, we can clearly do it.

We stand on the characteristics of a people's society, with the Party leading. We can solve it. Therefore, the major problem for us is just setting up the leadership of the Party to continue to be strong and correct, that's all.

Example: How does Party leadership prepare to use the forces of the people? This is a matter which depends on the Party leadership. If we cannot do it following the goal of 15 years, this won't come from objective factors, rather it will be because of Party leadership factors. So, importantly, we must solve the key of Party leadership.

- As for the Chinese experience, they set up cooperatives at a high level during 1956 through 1958. They continue to set up the collective. China has been liberated for 0 [sic – typographical error, missing first digit] years and has still not yet organized to solve the rice field dikes. But as for us, we already have cooperatives.

00072370

-4-

Therefore, our speed is very fast. What line of activity must we set up? This is the problem facing us. In all the work which we must do, we must continue to stand upon independence, mastery, and self-support.

Our Korean friends say that our Kampuchea will become greatly wealthy within five years. Therefore, we all must train our cadres, combatants, and people to see this so that they all will go on strong offensives in their work. If we educate internally among the Party, among the people, especially in the cooperatives, they will see this bright light. At the same time, we clearly already have momentum and speed. We must strive for our people and to be models to the world as well. This is our task.

II. The mass movement in implementing the agricultural line of the Party during the past 4-5 months, May 75.

How have we absorbed? How must the Party push further? After the Party disseminated the line, two movements appeared:

- This movement is stronger than before the coup. Our Party and our people strive to implement this line. In a situation of shortages in all aspects of life, including shortages of supplies to produce food: cattle, water buffaloes, and hoes, etc. The movement is strong, and this leads us to believe that next year we can solve the livelihood of the people. This year we have done a lot of other good work too.

Example: There are some places where the forces of the people have been assembled and where they have actively produced food day and night, not thinking of the rain or the wind. Therefore,

00072371

-5-

all the people new and old work vigorously without hesitation.

Example: Other places have begun the opening stages of preparation for agriculture in a new way, making modern paddy dikes to maintain water, to husband water. If we do this, we will solve water to the 50 percent level. This matter is the same everywhere. This comes from cadres and the people absorbing the Party line.

According to the experience of having done some of this already last year, we must push to make many additional paddy dikes in low-lying land. With this momentum, in four or five more years we can make modern paddy dikes to the 70-80 percent level. If we can achieve this, the movement will raise up very strongly.

III. What are the views and technical preparations on water, machinery, and energy?

How do we prepare?

- Must prepare water at 70-80 percent.
- Must prepare machinery at 70-80 percent.
- Must prepare fertilizer at 70 percent.
- Must prepare electricity at 60-70 percent.
- Agricultural scientific testing

We must ensure we grasp these strategic goals and prepare clear plans.

Example: The line to solve water, specifically how many years is the plan and to what extent is water to be solved? These plans must be made by the Zones, the Sectors, and the Districts.

00072372

-6-

We will prepare plans just like we used to. This is not a difficult matter, like planning during the war. With planning like this, there must be views to preparing solutions in every sector, making machinery, making fertilizer, using electricity, etc. The Zones, Sectors, Districts and bases must have clear plans. When it is like this, each person must transform his nature into that of a worker; if not, there can be no solution, because if his nature remains that of a peasant he cannot follow modern ways.

Example: In Svay Rieng the land is not very fertile. We must experiment in how to use fertilizer to make the soil good and able to support crop production. This is what we have to solve.

Now we must set up strategic and tactical lines for our agriculture like we did back during the war. From the experience of the four months which we have been together, we can say that within 10 to 12 years we can certainly be successful. If we clearly designate strategic and tactical lines for agriculture, none of us has to be hesitant; we all can be on the offensive.

Solving agriculture along the Party line, can we do it, or not? We clearly can, there is nothing as difficult as it was when we made war.

To solve water from 70 to 80 percent we must solve remaining on course with our objectives.

From past experience, to master water for agriculture, the major thing is to solve paddy dikes, because these dikes are the dams holding back water at every location. Anyone can make them, make them by themselves, make them in large groups, make them by hand, by machines, etc. If we have the paddy dikes we can also maintain soil fertility. So how do we make the paddy dikes?

00072373

-7-

Why do we make these paddy dikes? Not just to hold water and conserve soil fertility. These dikes are to transform the rural countryside, to improve the countryside, to improve society. So these dikes must be high, straight, and level, done in a pattern like a chessboard. Some past experience has been that we made canals next to roads, impacting the roads negatively. To avoid damaging roads the separation between canals and roads must be kept great.

We make dikes best in the rainy season. Throughout the country at each of the bases we must select the best and most favorable sites to work first. The difficult spots should be reserved for later. Doing it this way will lead to quick crop production and quick harvests. The direction of the Party is to go on the offensive like this.

Within three years we must make 100 percent of the dikes in the lowlands.

Suppose that in 1978 we have made 100 percent of the dikes in lowlands; we will have gained mastery of 50 percent of the water over an area of 500,000 hectares. We must take this step to solve quickly finding capital. We will get rice quickly by doing this, and that harvest will be the capital for bartering to get machinery, the fuel to push agriculture even faster.

Where must we assemble the forces of the people?

We must do this wherever the soil is good, fertile, and favorable, not where it is difficult and not good.

If we make dikes in the 500,000 hectares of lowlands we will get great harvests each year.

On canals:

According to experience in some locations, they made long main dikes and canals, tens of kilometers long.

00072374

-8-

We dig these canals to hold water in advance and to let water in and out whenever it is needed. Some good experience shows that we must dig these main canals to reach lakes and rivers which have sources which never dry up.

After we have made these dikes and canals, the rice fields will receive 50 percent of the water. Along with this, we will set up water pumps to add 20 or 30 percent more, and we will have reached 80 percent.

In Battambang in 1976, we must have water in every lowland Sector because the majority of that low-lying land has regular water sources. Within three years we must have mastery of water in the lowlands, 80 percent of the area of the Zone.

Throughout our country there is much lowland. In Baray, in the North, Svay Rieng, Sector 25, etc.

Dams:

Dams are important to husband water for times of draught. In Korea where they have achieved 100 percent mastery over water, they don't need much rain, and they don't want lots of rain which leads to difficulties in moving it in or out. There is not a lot of sunshine either.

The major goal this year is making dikes and canals. Once we have the dikes and canals in combination with the use of fertilizers and other technologies, we will have big harvests. In 1977 we must ensure three tons per hectare. In North Vietnam they say that it will be another 40 years before they have water 100 percent mastered. In comparison to us, they take 30 years; we will solve it in ten.

00072375

-9-

So Vietnam cannot keep up with us. Their harvest methods are slow too. We harvest ten bundles to their two.

The Soviets have also not yet mastered water because they have had no clear line to solve water.

Estimates are that we may be able to sell two million tons of rice during 1977-1980, even more.

Water pumps:

In Sector 25 they use irrigation rigs with booms and fuel cans to pump water, and they pump well. We must make water pumps and mechanized equipment, semi-mechanized, being inventive, becoming more and more modernized and improved.

So how do we prepare this machinery?

- Water pumps

- Tractors

We must start readying water pumps now. Today Industry is already working, but not yet in an industrial fashion. After we have made the water pumps, we must make the generators too. The technical brothers and sisters have told us some things about this. Today we have the capability to make them, especially small electrical generators and small motors. We will buy just the wire and the carbon. If we gather up the old technicians to talk and draw experience, in combination with Chinese and Korean technicians, we can clearly do it, absolutely. We must set up shops to make machinery, and the technicians must be assembled to make calculations on these matters. Within two to three years, we can clearly do it.

Within four to five years we must make large and small generators by, for one thing, striving to gain experience and study from Chinese and Korean technicians.

00072376

-10-

Making tractors – can we do it, or not?

Today we have old tractors from the spoils of war. It is estimated that within two or three years all those tractors will be all worn out. Today, we have technicians who

may be able to make some tractors, but there are still shortages of important articles like gear boxes and bearings.

In the opinion of some old workers who used to work in machine shops, we will be able to make tractors within the next five years.

Propose that Industry prepare the important equipment, and purchase the wire and other things to make generators and motors.

Korea is helping us with a factory to make generators. So in two years we must ensure that this factory is in operation.

We will build machines and factories to build machines like we built the Army in the past, that is, by having each Zone work and by having a mutual exchange of information between them.

We will arrange whatever we must to ensure that in 1980 each Zone is making agricultural machinery and tractors. Each Zone must ensure it can produce 100-150 machines.

Estimates are that today's labor force numbers five million. These forces have been moved to do various work, and there now remain 4,700,000 people. Use some of them in producing rubber, sugar cane, and there still remain four million. We must work three million hectares of land; if we expand, then four million. So each person must work one hectare. This force is not enough to do it all, and we need the aid of machinery. Starting in 1980 we must have machinery to assist the forces of the people and to replace manpower.

00072377

-11-

Our people are striving and working hard, fifteen hours a day. This is having an impact on the health of our people.

Throughout the country, we must closely cooperate to make agricultural machinery. We must meet four months each year to cooperate and exchange experiences, and then return to the Zones to operate.

Propose that 100 male and female youth from each of the Zones come to study so they can go back and disseminate information in the Zones.

We must set up Party leadership in every work shop.

We must have a National Conference and Zone Conferences about making agricultural machinery, and have trips overseas by small units like Party Branches to study the experiences of other countries.

Today in our country there are tractors from England, France, America, China, and Korea. Most of those from England and America are large and inappropriate to our land. We must do it like China and Korea do. Today, China, Korea, they both have already helped with a number of tractors, and we may take two or three of them apart to study and copy. If we study like this, in three or four years we can clearly do it. If we have plans to have 100 from each Zone come to study, within four years we will have 400 technicians, and through those 400 we can make a complete factory. Furthermore, we can use the old technicians who have no political contacts to assist in this work. We can do this only if we set up the plan quickly. The important thing is that we must manage and lead and do ideological work well. If it is well set up it will operate well. Do this following

00072378

-12-

the slogan "Everything for the cooperative." As for using the old technicians, avoid the left and have none of the right at all. If it is set up like this, we can do it.

Fertilizer and agricultural chemicals:

Solve it to 70-80 percent within 10-15 years.

How can we solve it?

The first category of fertilizer we can solve is natural: manure, urine, leaves, tuontreankhèt plants, water hyacinth, and water coconut plants, and human waste solids. As for human waste solids, propose building many outhouses and covering it with ashes or soil, mixing it with ash or soil when using it so it won't smell bad. Urine must be saved, fish bones saved, fish entrails saved. Bran can be burned and made into good fertilizer. Silt can be used as fertilizer. We have the Mekong River and the Tonle Sap as sources which never dry up. If we place this silt on infertile soil, three tons per hectare per year, we can change sterile soil to fertile soil.

In Japan they use 20 tons of fertilizers per hectare per year to get ten tons of rice. That uses a lot of fertilizer and leads to loss of soil quality as well.

Here, for example in Sector 15, the land today is infertile. One hectare produces only 20 to 30 bushels. We must solve this problem, but how? The solution is using silt from the Tonle Sap from the area of Prek Phneou Kilo 6, placing it by trains, boats, carts. We can place three tons per hectare for two or three years, and the soil will gradually become fertile. If we solve it using fertilizer from overseas, that will not be easy.

00072379

-13-

Experience in Quang Tung Province in China. They successfully used lake bed soil as fertilizer; it is no better than the silt in our country.

Fertilizer technicians can't see this after ten years of testing. So the most abundant fertilizer is natural. Aside from that, we use additional phosphate type fertilizers, but we can only make a limited amount of that type.

Agricultural chemicals:

We must think about making agricultural chemicals ourselves and buying or bartering from other countries. There is a demand today for chemicals to defend against insect pests. We must research to find chemical technicians to help make them, and assign some of our youth to study overseas. We must make these chemicals to serve our agriculture. The laboratory at Chroy Chângwar must prepare to make them as well.

Energy:

There are two types of energy:

- Burning petroleum or wood to drive machines.
- Using electricity to drive various things.

We must have energy to use. So, in part we must find petroleum, and in part we must find electricity.

How can we solve electricity? We must solve:

- Solve electricity by using petroleum
- Solve it by using hydroelectric power

00072380

-14-

Korea helps with electricity, for 30-100 KW [class]. We can clearly do this fast. We must do it as we go, and we must set Kirirum back up again. This matter of hydroelectricity, we can do it anywhere.

Example: At Phnom Noray, the Southwest Zone, Sector 1, the East Zone, Phnom Koulén, Sector 106, Steung Sèn, Steung Chinit, Ratankiri, etc.

So once we have electrical power, we will transform our agriculture to become gradually mechanized, and that is our clear goal. So, this plan will clearly be achieved.

Technical experimentation and agricultural science

Each Zone must set up a leadership team for agricultural testing:

Testing to select good seeds. Each site has different species.

Example: Battambang has a different rice species which are sewn in water. In the East there are locations which flood, but the people have no experience in growing high water rice. In Prey Veng, they have experience growing light [early season] rice to solve shortages. They plant in May and harvest in August. The rice is a 7 decimeter species. We can assume it is a good and important species which we should maintain, disseminate and expand as a national strategy. We must organize an agricultural technology testing team.

00072381

-15-

The utilization and assignment of the labor force

In the past, some locations have assigned their labor force well: they have used it all, not to more or less than its power. The division of the labor force must be done well in each location. The labor force is to be divided into orderly teams working with plans, with team leaders, leading to an atmosphere of happiness and solidarity. Doing this has been a good experience of ours and is characterized as scientific labor which we must disseminate and study. Organizing forces like this also makes the new group from Phnom Penh able to work with the others. Another experience has been assigning the forces of the people to go in mass somewhere which had good water to work vigorously. But there have been some deficiencies as well. There are many people, but assigning the force is not easy, so there has been confusion.

The matter of time:

In some places they don't think much about time. When should seed be sown? How much land should be worked, and where? When? If time is not well-prepared, the use of the labor force will not go well, our labor force will be confused. If we organize time clearly, we will push and production in an orchestrated way.

Setting the rice harvest [quota] – how much per hectare?

We raise it like this to push the 1977 rice harvest to be high.

How much should be set as the average rice harvest?

00072382

-16-

Should we set three tons per hectare or three and one-half? Or do we use three to four tons, or two to two and one-half?

Example: In Sector 15 we must have the goal of using 30,000 to 40,000 people to work along Highway 5. At this site we can get one ton per hectare; in the Northwest we can get three to four tons; in the North, three to four tons; in the East, three tons or more.

As for the West, it is not so good, weaker than the Southwest. In the Southwest, the good land is South of Highway 3; to the North some is good. The Northeast is passable. The weak point is the people; they have never grown rice at all.

Industry and Handicrafts:

According to the line on Industry and Handicrafts which the Center has set in the past, which is:

- To ensure the solution of immediate matters.
- To prepare conditions as we go along to move from backward agriculture to modern agriculture.

The Party line on Industry, we have absorbed it to a certain level, importantly in implementation in this first step. Example: We controlled the factories in Phnom Penh after the war and have made them operate as we go along, the railroad, the tire factory, the textile factory, the lathe factory, the lighter factory, the soap factory. Aside from these factories, we have made the beverage factory run one day every month to prevent it from being damaged.

00072383

-17-

Aside from this, we have a factory making rice bran oil for sale inside and outside the country, especially in Southeast Asia. This rice bran oil is very good for eating and is sold outside as well. The distillery is also modern, and this site is used for all kinds of alcohol, distilled water, vinegar, etc. Later we will use this factory for foreigners and hospitals. Our factories in general are running, but we lack raw materials. Also we have arranged the construction of a machine factory. Today we are making preparations as we go. We have three cigarette making factories, and have one of the most modern

machines. We run one machine to make cigarettes for visitors. We have the factories operate in part to supply the people and in part for foreign sale, especially in South Vietnam. In the future we will have more factories running.

Large factories in the provinces are operating and being set up as we go, like the cement factory, the oil refinery, the fertilizer factory. The Chinese have come to help us with by making repairs or rebuilding all of these factories. This construction, the Chinese help make rubber factories, that is, factories making materials from rubber.

With the momentum we have gained during the past four to five months, we will restore Industry within the next three years.

How must we operate in the future to quickly serve our objectives?

Consolidate and expand existing industry related to the livelihood of the people, especially mosquito nets, blankets, thread, soap, tires, milk, nets, buttons

00072384

-19-

shirts, most importantly mosquito nets and blankets. Also, making cigarettes, lighters, lighter flints, paper, notebooks, pens, ink.

The second production goal is making agricultural tools, generators, motors, dynamos, bicycles.

The third goal serves all types of things, cement, and plywood. Of all three of these goals, one and two are the major ones required for livelihood. Later our people will have packages of cigarettes, fish sauce, soy sauce, have mosquito nets, blankets. Ensure whatever is necessary for change.

Aside from all this, we must make tile for factory construction and people's houses, schools, warehouses. We must make a lot to meet these future requirements.

Building the technical ranks:

We must build the ranks of technicians well and fast to gain mastery of the future. We must build technicians fast; we must have them study the necessary and specific technical theories. If we have them study and work at the same time for a while, we will prosper. Each day there must be one hour of theory study, one day a week. Doing this it will quickly bloom and be inventive.

Communications:

We have already completed the Kampong Saom railroad. The reason we could do so is that we gathered forces and went on the offensive, among them the Army, Industry, and the people. So,

00072385

-19-

we could do it quickly. Making the railroad reduces the use of petroleum to a minimum, to only 50-60 percent.

The highway from Phnom Penh to Battambang to Poipet has been made from Battambang to Kraing Sdar and from Phnom Penh to Tbèng Khpuos.

The roads have been set up again, among them Highways 1,2,3,4,5,6,7, and 13. The waterways are generally in operation. Today there remains only the problem of fuel. We have the goal of conserving fuel by going on the offensive to make the railroad. We prepared the old roads and did not build new ones because we wanted to do it quickly. These old roads can only be used for two or three years, and must be changed. The [railroad locomotive] engines today are from Australia, Germany, and if they are damaged we have nothing to replace them with. The tracks will be damaged within three to four years, and new engines will have to be purchased. Both tracks and engines will have to be replaced. How will we replace them? If we use international engines we will have to change all the tracks. Using international engines is good as they are easy to buy and run for a long time. China intends to give us from 80-100 cars.

Expanding water communications

We have some capital. But we must make more river boats and ocean going vessels. We will use the waterways heavily in the future to move rice, corn, tobacco, rubber, etc. We will not use land routes as much because the expenses are great, both the cost of the vehicles and road making costs. In Phnom Penh we have some capital for building boats, and Korea is helping to build another boat factory. The Zones must make large boats, 30-50 tons and 100-200 tons, for transport.

00072386

-20-

We conserve lots of fuel by doing it like this. If we spend 10 on land routes, we spend only 2 or 3 on water.

The more we use the railways, the better. The more we use the waterways, the better. We must reduce use of land routes to the minimum. We have used them since the

Sihanouk era, the Lon Nol era. So using vehicle routes will be only for connectivity. Aside from this, we will use more boats, ox carts and horse carts. By using them we will reduce transport costs to a minimum and reduce the price of products. In the cooperatives, we must use wood plank boats for transport.

Commerce:

Objectives:

- 1 – Serve the livelihood of the people in terms of basic articles,
- 2 – Serve production, agricultural and industrial. Serve national defense, etc.

How have we implemented these lines in the past?

Our Party has absorbed the line to an extent. Through this it has supplied the people in part with materials, including agricultural implements for production. But we see many other objectives which must be continued to be fulfilled, objectives which the Party has raised.

Example: War spoils cannot be used to serve the people. They are from the outside and cannot serve all the people.

00072387

-21-

Examples: Lighter flints, sewing needles, tobacco, fermented fish, fish sauce, etc. We will solve for the people, the peasants, with whatever they require. This objective has not yet been met at all.

We must continue to solve this in the future. State Commerce must absorb in order to solve this. The important thing is to solve the needs of the people, the peasants. Inspection of our State Commerce shows they still seem not to grasp this at all. Today they just transport things in and out and distribute war spoils already on hand, but they do not have a spirit of thinking about and worrying about getting a solution for the people who still lack what they need. At the same time, they mostly just think about fisheries, the city market, fish-raising ponds. Fermented fish and medicines for the people at the bases is still light weight. So, the Standing Committee has to think about fundamental matters, sewing needles, lighter flints, etc. As for initiatives by State Commerce they are not up to par or even concerned about getting to up to par. Speaking about this, it's not that State Commerce is not thinking, they think, like they think of about transporting hundreds of thousands of people, but this is raised here for continued correction.

We must concentrate on barter purchase of things for our people and on agricultural equipment.

Example: Supply cement and materials for house construction, locks, this for construction. Aside from this, buy wire for electricity, etc. We must import some things to serve Agriculture and Industry.

Only when we have absorbed the Party line can we prepare to carry out operations in Industry following the direction which the Party has set.

Commerce, speaking in general, does not yet have mastery, is not yet thinking about supplying the fundamental livelihood of the people.

00072388

-22-

Finance:

Regarding the expenditure of new Riels and gathering it up for storage.

- First, the Party has designated that the new Riel currency has to be protected. At the minimum do not to let it be burned, let the mice eat it, or let it become rain-soaked.

- Second, the distribution of new Riel must be done in steps, protecting it well.

As for protection, we have arranged to store it already and have given some to the major Zones to spend as we go along. The Party instructs maximum care to be taken in protecting and maintaining it.

Example: Not using old electrical wiring, protecting it from danger.

This new money, do we use it, or not?

In the previous meeting we raised the point that we must use money so the people will see our new State authority, because finance is a tool of the State authority. But now, many places have still not used it, because they do not know what to spend it on. Since our State does not yet have anything sufficient to exchange.

Now we raise the question of whether we should use money or not? If we do, what then about exchange and calculations?

Last year our State had more and more things. On this, should we sell them or give them to the people?

Should we use money, or not?

00072389

-23-

It is not yet so necessary for us to use money!

- The reason that it is not yet, is because of governing, we do not have mastery. We do not yet have experience in maintaining and protecting it.

Another reason, the enemy is carrying out activities to destroy our money, especially the American imperialist who play an important role. Aside from them, there is Vietnam, but they are not important. Vietnam can only do it in cooperation with the Soviets, and it will take some time. Thailand is a problem as well. Thailand has a team of international criminals to carry out this activity.

Seeing this, it is proper that we do not rush, and delay further. We do this to examine and consider and set up operations easily to safeguard.

Still another important reason is a principle of a State. The State is the organization governing the State authority of one class, dictatorial militarily, politically, culturally, and economically. The stated of the oppressed class are that way; the State of the revolution is that way too.

The State is a tool which creates one class level. That is, whenever the State prospers, this leads to the creation and construction of an upper level which is separated from the workers, from the laborers. Therefore, the principle of Marxism-Leninism eliminated the principle of the State as time went along and did not allow it to consolidate further. It must be reduced with time until the State is gone, that is, when the workers in the factories govern themselves, and the peasants govern themselves agriculturally. The upper level construct must go away. This principle is very correct. We must reduce it, shrink it, and let the people progress toward governing the State authority themselves.

00072390

-24-

Example: In the Soviet Union, they greatly expanded the upper level construct. There is this sector, that sector ... causing the level of some of the people to be distant from the workers. Today the Soviets continue to expand and consolidate this. Korea and China have done the same.

When it's like this, do we use money, or not?

If we use money it will lead to the creation of private ownership. Today we do not use it, and there is not much private ownership. The cooperatives and the people are heavy on the collective.

Therefore, if we use money, that money will fall into private hands, if when it does, it will lead to the creation of private ownership, and if there is private ownership there is separation from the collective.

Money is a tool they use to get to power and authority. If this money falls into the hands of bad groups, of the enemy, they will use it to carry out activities to destroy the ranks of our bad cadres, with them using it to bribe them this way and that way. So, after a while, one by one they fall into gathering up this private ownership and creating that one. Through this it becomes a right to authority, because they have the money, they can bribe and tug on emotions. If it is like this, within one year, ten years, twenty years, our clean Kampuchean society will become Vietnam. This is very certain. So, their spies want our money, and foreigners will want our money. In order to attack and gather up our money, they will carry out activities to exchange this and exchange that.

Example: They will take their sewing needles, their cloth, etc, to exchange for our money. When they get our money, they can use it as one measure to destroy our State authority. This is dangerous in the immediate future and in the long term

00072391

-25-

Designating whether to use money or not.

In principle we will not use it. We will wait longer and watch experience on this. It is openly understood that if we use money it will be dangerous because it creates individual ownership and private ownership. But the point which must be thought about is our Party does not have experience on this. For another thing, there is not yet any clear principle. What is our easiest way out?

Example: Today China permits monthly salaries for agents of the State, workers, etc. Having salaries leads to private ownership because whenever there is money, each person saves it and uses it to buy this and that, leading to the creation of personal ownership.

Mao Se Tung said that China must continue the Great Cultural Revolution from four to ten times over.

Chou En Lai said: The possibility that capitalism could return to govern the Chinese state authority still remains in the present.

Capital, collecting capital, saving capital, expanding capital

Why must we have capital?

We raise the matter of capital in order to serve the livelihood of the people, to serve Industry, Commerce, Culture, Social Action, Foreign Affairs.

How do we raise capital? This capital comes from the products of the people, the products of industry. We have capital to sell outside and to bring in things from the outside to give to the people, to serve agriculture, to defend the country.

00072392

-26-

What is capital? It is products, rubber, rice, corn, fish, etc. How do we allocate this capital? The people need capital, the State needs capital, in order to modify the livelihood of the people and for the national defense.

The capital which comes from agriculture must be partially allocated for the people, a five percent contribution for the State, and another part the people barter and exchange with the State to get medicine, fish and meat. Exchange must be thought about.

In making this exchange, must the state make a profit, or not?

Example: In China they make Shiang Hai brand clocks at a cost of 30 Yen, and the State sells them to the people for 130 Yen. We ask, why take so much profit? The State must sell them at a high price to get capital to further expand, and selling like this does not have a negative impact on the people because they are for sale only to those who have the money.

So what must we consider?

On the things to be exchanged with the people, we must think about the livelihood of the people in general; that is the important thing. In everything, think about the livelihood of the people; that is important.

Example: We exchange [to get] cloth to provide to the people and take a 20 percent profit. Where does that 20 percent go? It goes for expenditures on national construction and defense.

As for items we exchange with the people, we do not think about any profit.

Example: Cloth purchased – various costs of transportation 0.5 Riel, must be sold to the people at 1.5 Riel. What factors have us do this? We do not build the country fast. But the people do not over expend their labor.

How do we handle this matter?

00072393

-27-

If there is no profit taken we can only go one step forward, and after that we can go no further.

If we take a profit, we can build one and a half steps.

So which path do we take?

Walking path number one, we are clean and make no negative impact. But if we take path number two, we have a little negative impact on the people, but the people can sacrifice and there is no problem at all. These two matters are up to the meeting to decide.

Example: We can produce three million tons of rice. We save 1.8 million tons for the people to eat, 400,000 for Social Action. We still have 800,000 tons. This amount we will take for sale outside and gain some capital. This capital is used to build the country. This capital will be used for national construction and national defense.

The problems today are only collection and transport.

The bases must designate about the products, how much must the Subdistricts, Districts, Sectors, Zones keep, and how much must they provide to upper echelon?

Later we will eliminate Villages. We will not permit them, and will organize collectives instead. So the Village and Subdistrict Committees will be inside the cooperatives. So the Subdistricts will need no separate capital; they will use the capital of the cooperatives.

Therefore, various construction, schools, hospitals, machine shops, the Cooperatives will do it all. So the duties of the Village, the Subdistrict, will go away. This group must become Cooperative Members.

00072394

-28-

Now do the Subdistricts not yet require capital to expand? We must think just about the Cooperatives: make them quickly, that's good enough. We will implement like so capital will not be wasted. If the Districts require capital, then what? For what? For building large hospitals which will need medicines and suitable technicians. If it's like this, then the Districts must also have some capital, and some for agricultural testing.

The Sectors must have capital too, for hospitals and agriculture. Likewise for the Zones. How do we allocate that capital? The Districts require an amount of capital, and the Sectors and Zones also require some amount. So one part is kept at the base and

another is sent up so upper echelon will have capital to exchange for machinery and other items to allocate to the State throughout the country.

So the state must have the necessary capital to build and defend the country.

The large amounts of capital coming to the State are capital which comes from the people, from the cooperatives. How do we allocate and expend that capital? How much to the Districts, how much to the Sectors, how much to the Zones? We will allocate this capital by exchange and barter. The State up above is the one who will make the arrangements to allocate it according to both general requirements and for the bases.

Therefore, the Villages-Subdistricts will need no capital. Whatever the Districts provide is enough for communications about work. Likewise with the Sectors: just sufficient capital, that's enough.

The Zones must be given important consideration for general allocations.

The State must have the necessary capital for building and defending the nation in general.

As for bases which cannot raise much capital, how does the State resolve that?

00072395

-29-

Example: The people in the support bases are poor and have sacrificed their children to support the revolution more than anyone else for a long time now; they have sacrificed greatly for the revolution. How does the Party handle them? Are they to be moved to more comfortable locations? Or are they to be left to continue living where they are? If they are left in place, how does the Party help them, because they have no possibilities? If something is not done, the areas with possibilities will be happy first.

The Party must handle this matter. If this is not dealt with, those who came into difficulties after them will get the fruits before them, because this group lives in much easier places. Also the brothers and sisters who have been in difficulty for a long time and who have supported the revolution for a long time will be the last to be happy.

This problem, for better or worse, will remain a problem. This leads us to see that if the solution is not good it will have a negative impact on our class stance, this not thinking about the poor peasants. For another thing, it is wrong in regards to the lines of national construction and national defense, because the national defense is just the poor people. The new group cannot be guaranteed. If later on a world war occurs, we cannot rely on the group who lived comfortably; we can only depend upon our poor base people.

If it is like this, where do we get the capital to raise the livelihood of these brothers and sisters? If we ask for support and assistance from the rich, that will not happen.

We must reconsider finding capital to supply these brothers and sisters to be correct both with the class line of the Party and the Party line on national defense.

00072396

-30-

Examining the control and implementation of the Party line on Social Action and Public Health

1 – Calculations about the food and clothing, including mosquito nets, mats, houses, and hygiene of the people, malaria eradication, and various social diseases.

2 – Calculations about care centers for infants and children, carrying for handicapped veterans, and carrying for the families of soldiers.

Our virtue is that we have strived hard to solve. But deficiencies still exist. In the past we have been short of medicines, leading to sickness and pain, malnourishment, malaria, and food shortages. This has impacted the labor force to an important degree. The people with the greatest shortages are those who were evacuated from Phnom Penh and the surrounding areas. Among them, Sector 15 of the West Zone stands out as important. In the past, food has been collected from here and from there, including some aid which we have helped with in exchanging. In the future, the people in these shortfall areas, can they resolve it themselves? The direction of the resolution today is only a transitional resolution. We must designate a permanent solution beginning in November 1975. If this situation is not clearly designated, how long will it be held for permanent resolution? Sector 15 of the West Zone is like this. Likewise in 25. How many should be moved, how many kept? We will keep only those necessary for food production.

We must divide the people according to production requirements. We will make appropriate preparations to adjust to requirements. Sufficient arrangements must be made; do not let it swing back and forth.

00072397

-31-

In the Northwest, we must add an additional force of 500,000 people.

Preah Vihear has requested 50,000 first. In Preah Vihear there is the possibility of solving food supplies. Preah Vihear has 70,000 old people already. So send 20,000 first as we go along.

In the North, they need people to be given to Kampong Thom Province.

The East also needs forces to be given to Sectors which are short of people.

So each Zone must make appropriate preparations and not let things sway back and forth, allocating how many to upper level and moving how many to other locations.

We must set up housing as we go, brick and cement housing, so we must make bricks and tile to construct housing, warehouses, and factories.

Public Health:

We must make more traditional medicines. Also, if we have the possibilities in rice and rubber, we should exchange it for some medicines from foreign countries. We have a goal and direction on this already. Furthermore, China is helping in part on medicines.

This matter of purchasing is transitional. The important thing is to make it ourselves. At Public Health today we lack management cadres, and the Center must strengthen the leadership.

As for the battle to eradicate malaria, if Center agrees, spraying will begin during this November and December and will continue as we go. Each Zone will get 20 liters as an initial test. The first testing will be spraying in mosquito ridden areas.

00072398

-32-

Example: Spray rubber plantations in the forested Zones which have the most malaria. The spraying will begin in 1976 because spraying in the dry season is the most effective. Propose that the Zones set up their plans to spray with clear organization. Today there is much malaria, and we must treat it with medications and do mosquito eradication.

Aside from malaria, there is leprosy, TB, which we must solve as we go.

Child centers must be set up later on to free the female force so we do not lose their labor. We will do this when we have products in the future.

Culture:

After the war we have been very busy, both with children and combatants, and there has not been very much study. Also, we have been busy solving livelihood. Some locations have organized continuing studies.

Example: The brothers and sisters organized study at noon, and these studies have had good results.

Our State must prepare books and pencils for schools. In the future, we will have technological and scientific requirements. We are training scientists and technicians according to the direction of the Party, that is we are having them study and build themselves in the mass movement first.

00072399

-33-

The important direction in national construction and national defense is agriculture. Agriculture is a major key. We must discuss and examine this matter clearly so we will be enlightened and can serve quickly.