66

INFO OCT-01 EUR-12 ISO-00 NSCE-00 NSC-05 SIG-02 PM-04

PRS-01 INR-07 /041 R

DRAFTED BY EA/P- STAFF:SP
APPROVED BY EA/P: M. SMITH

DESIRED DISTRIBUTION
NSC ELECTRONICALLY FOR MR. GLEYSTEEN

R 271856Z SEP 76
FM SECSTATE WASHDC
TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
AMEMBASSY MOSCOW
INFO CINCPAC HONOLULU
COGARD
GOV GUAM
TREASURY

UNCLAS STATE 239736

E.O. 11652: N/A

TAGS: PFORX, XC, US

SUBJECT: SEPTEMBER 27 EA PRESS SUMMARY

1. JAPAN

JAPANESE DEF EXPERTS 9/25 REMOVED SOVIET MIG-25 FROM HAKO-DATE AIRPORT TO HYAKURI AIR BASE BY US TRANSPORT PLANE. FUSELAGE COVERED WITH WHITE BANNER CARRYING FAREWELL MESS-AGE IN JAPANESE. BELIEVED WRITTEN BY DOD OFFICIAL, SAYING: “SAYONARA, PEOPLE OF HAKODATE. SORRY FOR THE TROUBLE” (NYT 9/26). DISCOVERY THAT JET IS INTERCEPTOR, NOT FIGHTER-BOMBER, REPORTEDLY REASSURED JAPANESE DEFENSE OFFICIALS THAT MIG NOT SO DANGEROUS TO JAPAN AS ORIGIN-ALLY THOUGHT. JAPAN HAS GIVEN NO DEFINITE PROMISE THAT PLANE WILL BE RETURNED, HAS CITED INTL PRECEDENTS FOR UNCLASSIFIED

USSR HAS DECIDED REFUSE PREVIOUSLY-APPROVED VISAS TO
JAPANESE "GO" TEAM SCHEDULED PLAY SERIES CHESS-LIKE GAMES W/ RUSSIAN PLAYERS IN MOSCOW. JAPANESE PRESS COMMENTATORS SEE RETRACTION AS SHOW DISPLEASURE OVER JAPAN'S HANDLING MIG INCIDENT (AP SUN, WP).

IN 9/27 RESPONSE TO OPPOSITION QUESTIONER IN DIET, MIKI TOLD DIET HE HAS NO INTENTION RESIGNING AS PM OR AS LDP PRES. OBSERVERS EXPECT REMARKS WILL FURTHER FUEL ATTEMPTS FROM WITHIN LDP DRIVE MIKI FROM POWER (REUTER TOKYO).

MIKI TOLD DIET 9/24 THAT LOCKHEED INVESTIGATION WOULD TAKE LONGER THAN EXPECTED. PM VOWED ALLOW PROSECUTORS PURSUE WORK UNHINDERED BY POL INTERFERENCE OR CONSIDERATIONS, PROMISED FULL REPORT TO DIET AT SOME FUTURE DATE. DELAYS ATTRIBUTED TO DIFFICULTIES ENCOUNTERED IN INVESTIGATION "KODAMA ROUTE"--MONEY FLOWING INTO JAPAN FROM US VIA MARUBENI TRADING CORP (MALCOLM, NYT).

MITI MINISTER KOMOTO, AT FRIDAY NEWS CONF, REFUSED ADMIT EXPANSION JAPANESE COLOR TV SETS IN WESTERN MARKETS SO EXCESSIVE THAT TOKYO SHOULD IMPOSE MAJOR RESTRICTIONS. ALSO REFUSED TAKE SERIOUSLY US COLOR TV INDUSTRY PROTECTION CMTE'S THREAT SEEK TIGHT CONTROLS ON FUTURE JAPANESE IMPORTS, EVEN THO CMTE HAS PROMISED TAKE COMPLAINTS TO ITC (CULLSION, JOC).

TREASURY DEPT FINDS JAPANESE MELAMINE CRYSTAL BEING Dumped in US, HAS SENT CASE TO ITC FOR DECISION ON WHETHER LOW-PRICED PRODUCT HAS INJURED US COMPETITORS (JOC).

SUN (9/25) RUNS 2 FOTOS ELECTRIC VEHICLES BEING DEVELOPED BY MITI; JAPAN DEVELOPING 7 SUCH VEHICLES, ABLE RUN 250 MILES ON SINGLE BATTERY CHARGE.

2. JAPAN/CHINA

FORMER JAPANESE FONMIN FUJIYAMA SCHEDULED LEAD 8-MEMBER UNCLASSIFIED TRADE DEL TO PRC 10/4 IN ATTEMPT ENLARGE BILATERAL TRADE, DISCUSS STILL-PENDING PEACE/AMITY TREATY. SOME JAPANESE FEAR MAO'S DEATH MAY BRING TEMPORARY STALEMATE THAT COULD SHRINK THIS YR'S TRADE. TOKYO OPTIMISTS MAINTAIN THAT NO MATTER WHAT HAPPENS, PRC NEEDS INCREASE IMPORTS INDUSTRIAL MATERIALS TO CARRY OUT 5TH 5-YR PROGRAM BEGUN THIS YR (JOC).

3. CHINA

NCNA ANNOUNCES PRC SUNDAY SUCCESSFULLY CONDUCTED NUKE TEST--SECOND THIS YEAR, 19TH SINCE 1964 (AP PHINQ, CSM; UPI, CHITRIB; REUTER, NYT; NYDN, WP). NCNA SAID EXPLOSION
DESIGNED ANSWER CCP'S CALL TO TURN GRIEF AFTER MAO'S DEATH INTO STRENGTH; REITERATED PEKING WILL NEVER BE FIRST USE NUKES (UPI). AGENCY ALSO CARRIED PARTICULARLY STINGING ATTACK ON SOVIET "FASCIST REGIME," IN REPORT IN DEFECTION OF SOVIET PILOTS TO JAPAN AND IRAN (WP).

CHINESE AUTHORITIES ANNOUNCE NATIONAL DAY CELEBRATIONS WILL NOT TAKE PLACE THIS YEAR--FIRST SUCH CANCELLATION SINCE MAO PROCLAIMED PRC 27 YEARS AGO (NYDN).

WPS CLANCY (9/26) REPORTS DOS LEAVES QUEMOY/MATSU OUT IN DISCUSSING CURRENT US POLICY TOWARD ROC. SAYS DOS OFFICIAL, IN DISCUSSING POTENTIAL RESPONSE TO INVASION OF TWO ISLANDS, REPLIES THAT "WE JUST DON'T SPECULATE ON WHAT MIGHT OR MIGHT NOT HAPPEN." MST DOESN'T MENTION ISLES.

AP NOTES UN'S WALDHEIM SEEMS LIKELY WIN ANOTHER 5-YEAR TERM. REPORTS FOUR OF UNSC PERMANENT MEMBERS ARE SAID TO HAVE GIVEN HIM GO-AHEAD. AND CHINESE HAVE ALSO TACITLY SIGNALED WALDHEIM THEY EXPECT NO PROBLEM--BUT THEY REPORTEDLY WANT THIRD WORLD MAJORITY'S FULL BACKING BEFORE MAKING PRC SUPPORT FORMAL (PHINQ).

NYT CARRIES FULL-PAGE AD STATING THAT UNDER SPONSORSHIP CHINATUHSU (SOLE PRC CARPET EXPORTING AGENCY), FIRST CHINESE RUG FAIR BEING PRESENTED BY EINSTEIN MOOMJY CARPET DEPT STORE.

US-CHINA PEOPLE'S FRIENDSHIP ASSN AND OVERSEAS CHINESE UNCLASSIFIED

PAGE 04 STATE 239736

SERVE-THE-PEOPLE ORGANIZATION WILL CELEBRATE PRC'S 27TH ANNIVERSARY AT INTL HOUSE, PHILA, OCT 1 (PHINQ).

4. INDOCHINA

HANOI CLAIMS DECISION VETO VN ADMISSION TO UN HAS LEFT US "PITIFULLY ISOLATED" IN INTL COMMUNITY (WSTAR 9/26).

AMCIT ARLO GAY, RELEASED BY VN, SAYS SPENT OVER YR IN HANOI MIL PRISON AS SUSPECTED INTELL AGENT (WP 9/25). MCARTHUR (LAT 9/24) TELLS GAY'S STORY OF CAPTURE, INPRISONMENT, INTERROGATION, ESCAPE, RECAPTURE, RELEASE.

ABOUT 12 MILLIOD START NEW SCHOOL TERM IN VN, INCLUDING ESTIMATED MILLION ADULTS (AFP, NYT 9/26).

REGULAR HANOI-PP AIR SERVICE BEGINS, WITH 1 RT SCHEDULED EVERY 2 WKS (AFP, NYT 9/25). MUNRO (CSM) NOTES ABSENCE SIHANOUK'S NAME FROM FINAL LIST INDIVIDUALS WHO SENT CONDOLENCES ON OCCASION MAO'S DEATH; SAYS HAS RAISED NEW, OMINOUS QUESTIONS ABOUT PRINCE'S WELFARE. REPORTS RUMORS THAT SIHANOUK HAS BECOME BUDDHIST MONK, IS BEING HELD VIR-
TUAL PRISONER, OR IS DEAD.

WSTAR (9/26) NOTES DEATH HORACE SMITH, US AMB TO LAOS 1959-60.

5. INDOCHINESE REFUGEES

KNIGHT (NYT 9/26) REVIEWS CASE OF 2 CHILDREN WHO LEFT SVN IN "OPERATION BABYLIFT," BUT WHOSE MOTHER GOT OUT LATER, IS TRYING GET COURT RETURN CHILDREN FROM ADOPTIVE PARENTS.

6. THAILAND

SENI, PERSUADED BECOME PM AGAIN 24 HRS AFTER RESIGNATION, SAYS HOPES FORM NEW COALITION WITHIN WK (WK 9/25; AP, NYT 9/25; REUTER, SUN 9/25). SENI STILL FACES PROBLEM OF WHAT DO WITH KITTIKACHORN, WHOSE RETURN WAS 1 CAUSE POL CRISIS (REUTER, SUN 9/25). KING CONFIRMS PARLIAMENT'S DECISION REINSTATE SENI AS PM (WSTAR 9/26; REUTER, NYT

UNCLASSIFIED

PAGE 05 STATE 239736

9/26, SUN 9/26). ONE OF FIRST TASKS IS INVESTIGATE DOUBLE LYNCHING THAT COULD HAVE POL REPERCUSSIONS (CSM); 2 POLITICAL ACTIVISTS FOUND HANGED. STUDENT LEADERS CONNECT DEATHS WITH KITTIKACHORN RETURN. SENI SAYS GOVT WANTS EX-MARSHAL LEAVE ASAP (REUTER, SUN 9/26).

FORD MOTOR CO SAYS NEGOTIATING SALE CAR/TRUCK INTERESTS IN THAILAND (REUTER BANGKOK 9/24).

7. KOREA

NYT (9/26) REPORTS (SEOUL) KIM DAE JUNG'S WIFE SAYS PRISON LIFE HAS WORSENED HIS CONDITION -- ADDS HE "APPEARS SERIOUSLY ILL, IN NEED OF IMMEDIATE MEDICAL ATTENTION".

FORMER UNIFICATION CHURCH MEMBER CHRISTOPHER ELKINS CHARGES CHURCH ACTIVELY CAMPAIGNED FOR TWO CONSERVATIVE REPUBLICANS IN 1974 CONGRESSIONAL ELECTIONS (CHARLES STEPHENS, N.Y. AND LEWIS WYMAN, N.H. -- BOTH LOST); AND THAT MEMBERS ALSO LOBBIED CONGRESS FOR MILITARY AID TO ASIA, PARTICULARLY TO ROK. ELKINS CLAIMS CHURCH AND WASHINGTON-BASED, MOON-INSPIRED "FREEDOM LEADERSHIP FOUNDATION" ARE "INSEPARABLE" -- FOUNDATION STAFFERS SENT AT CHURCH EXPENSE TO AID STEPHENS' CAMPAIGN. CHURCH OFFICIALS DENY LOBBYING, PARTISAN POLITICAL ACTIVITY. ELKINS DUE TO TESTIFY ON HILL TODAY (WP).

WP 9/26 ITEM POINTS OUT FULL-PAGE REV. MOON AD IN PAPER AND SIMILAR ADS NYT AND USTAR CARRY 9/18 GOD BLESS AMERICA FESTIVAL CROWD ESTIMATES AT VARIANCE WITH OFFICIAL AGENCY FIGURES. ADS NOW CLAIMING 300,000 ON WASHINGTON MONUMENT
8. PHILIPPINES

WRECKAGE SMALL PLANE FOUND, 8 ABOARD DEAD, INCLUDING USAID MISSION DIRECTOR ZIMMERLY, EMB ECON COUNSELOR CHENEY, DEP US DIR ADB LEE (WP 9/25; UPI, WSTAR 9/25).

9. NEW ZEALAND

MD ACADEMY OF SCIENCES SHOWS STAMP EXHIBIT PREPARED BY NZ POSTAL ADMIN THAT TRACES DEVELOPMENT FROM ISOLATED ISLAND GROUP TO NATION SO TECHNOLOGICALLY ADVANCED THAT CAN SUPPLY 10 PCT ENERGY NEEDS FROM GEOTHERMAL POWER (GASQUE, SUN 9/26).

10. PACIFIC ISLANDS

INITIAL RESULTS REFERENDUM ON STATUS PALAU SHOW OVERWHELMING MAJORITY FAVOR SEPARATION FROM TRUST TERRITORY. US DOES NOT RECOGNIZE REFERENDUM, IN KEEPING WITH UN REQUEST AGAINST FURTHER FRAGMENTATION; BUT, AT SAME TIME, OFFICIALS SAY RESULTS CANNOT BE IGNORED; PALAU LEADERS EXPECTED APPROACH USG FOR COMMONWEALTH STATUS (WP, 9/26).

11. GENERAL

AMNESTY INTL REPORT SURVEYS WORLD SITUATION ON PEOPLE JAILED FOR BELIEFS. SAYS OF ASIA THAT HARDLY ANY COUNTRY’S JUDICIARY ACTS WITH INTEGRITY AND FAITH IN ORDINARY PRINCIPLES OF JUSTICE (AP, SUN).

COMMENT AND ANALYSIS

12. JAPAN

SUN (9/26) CARRIES CARTOON SHOWING 3 "NIPPON TOY CO" EXECS CONVERSING UNDER DESIGN MIG-25, W/CAPTION: "IF WE WORK AT FULL C APACITY WE MAY BE ABLE TO GET OUT MODEL ITS IN TIME FOR THE CHRISTMAS RUSH."

NYT CITES "CHEERS AND BOOS" FOR NEW 260,000 SQ FT AMEMB, DESIGNED IN LA AND BUILT IN 2 YRS BY JAPANESE FIRM. WHILE AMB HODGSON SAYS HEART "LEAPS WITH JOY" AT THOUGHT WORKING IN NEW, IMPOSING STRUCTURE, ANOTHER AMCIT SAYS BLDG LOOKS LIKE "CHOCOLATE BAR WITH ANTENNAS."

13. INDOCHINA
CLEVE PLAIN DEALER (9/15) OPINES UNTIL VN ACCOUNTS FOR & UNCLASSIFIED MIA'S, SHOULD NOT EXPECT RECEIVE COOPERATION FROM US. KC STAR (9/16) CONCLUDES VN WANTS REPARATIONS IN EXCHANGE FOR BODIES/INFO. NOTES STALEMATE KEEPS VN OUT OF UN, BUT COULD CHANGE IF HANOI AGREES GIVE FULL ACCOUNTING MIA'S.

14. THAILAND

ANDERSON/WHITTEN (WP 9/27) STATE RTG QUIETLY INVESTIGATING QUESTIONABLE DEAL BETWEEN THAI INTL, MCDONNELL DOUGLAS IN WHICH 2 MILLION DOLS MORE PER PLANE WAS PAID THAN OTHER AIRLINES PAID. ADD RTG HAS SENT INVESTIGATOR TO US TO INVESTIGATE DEAL.

TAMARKIN (CDN, 9/21) LOOKS OVER BANGKOK'S CANALS, SEES THEM LITTLE MORE THAN OPEN SEWERS WHICH EARLIER SERVED FOR TRANSPORT, FLOOD CONTROL, RECREATION, OTHER PURPOSES. REVIEWS HISTORY, PROBLEMS, PLANS TO SAVE THEM

15. LOS

GLOBE (9/24) CONSIDERS CONF PROBABLY MOST IMPORTANT LONG-RANGE ISSUE EVER BEFORE UN. NOTES NO SIGNIFICANT PROGRESS MADE; NOT MUCH OPTIMISM OVER NEXT MTG. HARRIS (CDN 9/21) OPINES SEA WEALTH MUST GO TO POOR NATIONS, SINCE US ALREADY HAS VAST DISPROPORTION WORLD'S RICHES.

16. IMF/WB

SUN (9/26; FROM NYTNS) NOTES IMF, WB MTGS NOV AT MANILA, REVIEWS MAJOR PROBLEMS TO BE CONSIDERED. HOBART ROWEN (WP 9/26) SAYS BIGGEST QUESTION IS WHO WILL FILL UP NEW HOTEL ROOMS AFTER 40,000 OR DELS, NEWSMEN, VISITORS DEPART. NOTES TAIWAN SUSPECTS PEKING WILL AGAIN DEMAND ROC OUSTER. ADDS TENSIONS BETWEEN JAPAN, SEA NEIGHBORS MIGHT SURFACE; JAPAN ALSO INVOLVED IN QUESTION OF INTL "POLICING" FLOATING EXCHANGE RATES.

17. CHINA

UNCLASSIFIED

NYT'S BUTTEFIELD (HK) CITES, AS SIGN THAT PRC POWER STRUGGLE CONTINUING, INSISTENCE BY LEADING LEFTIST WRITER CHIH HUNG, IN "HUNG CHI" JOURNAL, THAT CURRENT TARGET OF CHINESE REVOLUTION SHOULD BE PARTY PEOPLE IN POWER TAKING CAP-
ITALIST ROAD. AUTHOR ALSO CALLED FOR REDOUBLED EFFORTS TO STUDY THOUGHT OF MAO AND FOR ACTIONS IN ACCORDANCE WITH MAO'S PRINCIPLES; BUT BUTTERFIELD POINTS OUT ANALYSTS NOTED THAT WRITER PLACED MUCH STRONGER EMPHASIS ON ATTACKS ON RIGHTISTS IN PARTY THAN DID EDIT AND EULOGY READ BY HUA SEPT 18. ALSO OBSERVES GROWING BELIEF AMONG ANALYSTS THAT CONTINUED LACK OF PUBLIC INFO ABOUT DISPOSITION MAO'S BODY REFLECTS SOME FORM OF DISAGREEMENT AMONG PEKING LEADERS.

SUN'S ISAACS (HK) AGREES THAT QUESTION WHAT WILL BE DONE WITH CHAIRMAN'S REMAINS MAY HAVE ALREADY BECOME ISSUE, WITH DELAY REFLECTING MODERATES' CONCERN. SAYS THAT ENSHRINING, RATHER THAN CREMATING MAO, WOULD OBVIOUSLY SERVE INTERESTS OF ULTRA-MAOIST FACTION; IF THIS GROUP EVER ENGAGES IN ATTACK ON ENTRENCHED POWER-HOLDERS, MAUSOLEUM WITH MAO'S ACTUAL REMAINS WOULD BE FAR MORE POTENT SYMBOL/RALLYING PLACE THAN ANY BANNER/POSTER WITH MAOIST SLOGANS.

TORONTO GLOBE AND MAIL'S MUNRO (PEKING) SAYS DIPLOMATS THERE THINK THEY ALREADY HAVE DETECTED SIGNS OF UNCERTAINTY /INDECISIVENESS AMONG TOP CHINESE LEADERSHIP. EVIDENCE CIRCUMSTANTIAL. JUDGMENT PRELIMINARY; BUT LACK ANNOUNCEMENT ABOUT DISPOSITION MAO'S BODY AND CONFUSION PERMITTED CLOUD MOURNING PROCESS ARE SEEN BY FOREIGN SOURCES AS BETRAYING LACK OF FIRM LEADERSHIP, AND POSSIBILITY THAT CONFLICTS ALREADY HAVE BROKEN OUT (CSM; WP 9/25).

SNOW (GLOBE 9/24) CONTRASTS MAO/CHURCHILL. CONCLUDES "KIND OF SWEEPING SELF-RELIANCE, THIS FINGER IN THE DIKE AGAINST THE CONTEMPORARY SPIRIT OF INTERNATIONAL INTERDEPENDENCE AND SOCIETAL HOMOGENIZATION" MAY BE MAO'S MOST LASTING MEMORY.

BUTTERFIELD (9/25) CITES PRC ARTICLES THAT WORKERS FROM PEKING TO CANTON ARE SETTING NEW PRODUCTION RECORDS TO HONOR MAO. SAYS THIS SEEMS ANOTHER INDICATION NEW PRC LEADERS TRYING PROVIDE SENSE OF CONTINUITY/STABILITY IN FACE OF UNCERTAINTY FOLLOWING CHAIRMAN'S DEATH. ADDS THEY ALSO MAY INDICATE GROWING PEKING CONCERN OVER COUNTRY'S INDUSTRY, WHICH AFTER OVER DECADE OF REMARKABLE GROWTH, HAS SHOWN SIGNS OF SLOWDOWN THIS YEAR UNDER IMPACT WORKER UNREST, Factional Quarrels.

AUTHOR HAN SUYIN (NYT 9/25) LAUDS MAO AS "MAN-MULTITUDE, MAN-OCEAN, AND A VERY PLAIN, SIMPLE MAN. I AM GLAD THAT I
LIVED IN THE TIME OF MAO."

WSTAR'S BRADSHER (9/26) REVIEWS HAN SUYIN'S NEW BOOK, "WIND IN THE TOWER." BELIEVES BOOK BOUND ATTRACT ATTENTION BUT READER LOOKING FOR SOMETHING ABOUT "MAO THE MAN" WILL BE DISAPPOINTED. MAO SCARCELY APPEARS, IS DEPICTED MORE AS WISE INFLUENCE IN BACKGROUND OF EVENTS THAN AS REAL PERSON. THUS, HAN SUYIN HAS FALLEN INTO "STANDARD CHINESE COMMUNIST PATTERN OF DELINEATING MAO." ACCORDING BRADSHER, LACK OF SCHOLARLY CARE IS OBVIOUS THROUGHOUT BOOK--SUCH AS CITING EDITION OF MAO'S "LITTLE RED BOOK" QUOTATIONS WHICH DOES NOT EXIST; MORE DISTRESSING IS LACK OF BALANCE THAT MAKES MUCH OF BOOK RATHER BORING ATTACK ON POLITICAL ENEMIES OF MAO'S LATER LIFE.

WP'S MATHEWS (9/26), IN HK, POINTS OUT THAT MAO'S ARGUMENT THAT CCP COULD BRING PROSPERITY WAY IT BROUGHT MIL VICTORY --BY SHEER FORCE OF WILL, MASS ACTION--HAS NEVER APPEARED CONVINCE PRC'S LEADING ECONOMISTS. THINKS RAGING ECON DEBATE THAT HAS BEEN KEY ELEMENT IN DAILY LIVES 800 MILLION CHINESE MAY NOW COME TO POINT OF DECISION.


GEO DELOCOIGNE, CHIEF PUBLIC INFO SECTION, EXTERNAL RELATIONS DIVISION, IAEA, RIO DE JANEIRO, WRITES NYT THAT ITS 9/7 EDIT ("TAIWAN'S A BOMB") IS INACCURATE, MISLEADING. ACCORDING DELOCOIGNE, WHILE EDIT IMPLIED ALL ROC NUKE FACILITIES/MATERIALS HAVE BEEN SUBMITTED TO IAEA SAFEGUARDS, ON ALL NUKE MATERIAL ON ISLAND. ADDS THERE HAS BEEN NO ROC EVASION IAEA SAFEGUARDS, NO DIVERSION NUKE MATERIAL FROM ANY FACILITIES WHERE IAEA APPLIES SAFEGUARDS.

GLOBE'S BUELL (9/26) LAUDS ENERGY/CARE HWA-MEI CHAMBER ORCHESTRA OF ROC PUT INTO THEIR PERFORMANCES LAST FRIDAY NIGHT. TO NYT'S DAVIS, ROC ENSEMBLE IS "CRACKER-JACK" GROUP. KISSINGER

UNCLASSIFIED