DAW SUU’S HOME BLOCKADED
Heavily-armed riot police set up barricades on 26 Sept outside Daw Aung San Suu Kyi's home to prevent the National League for Democracy from holding a party Congress 27-29 Sept, and to prevent Daw Suu from making her regular weekend speech. This is the first time she has been prevented from speaking since her release from house arrest last year. Dozens of supporters who tried to approach her home on 28 Sept were arrested. Among those arrested were three European tourists. The riot police manhandled several detainees, but did not beat anyone in public view. Photographers and cameramen from the Associated Press, Associated Press TV and Agence France Presse were temporarily barred from leaving their hotel by plainclothes military intelligence officers who demanded that they hand over film and videotapes. The journalists were warned not to take pictures [N/Reu/AP/B960929,NYT960927].

TOTAL, UNOCAL, & SLORC SUED
A class action lawsuit accusing Total, Unocal and SLORC of "egregious human rights violations" was filed on 3 Oct in the US federal district court in Los Angeles. The plaintiffs include 15 anonymous Burmese nationals who claim that they have suffered direct harm - including forced labour and portering, assault, rape and the death of family members - as a result of the Yadana gas pipeline being built by the defendants. The identities of the Burmese plaintiffs and their location will remain confidential for their safety, said Katharine Redford, director of Earth Rights International (ERI), a Kanchanaburi-based non-governmental organisation. The lawsuit also names as defendants two Unocal executives: John Imle, current president of the US-based company and Roger Beach. The lawsuit was filed by the Centre for Constitutional Rights (CCR), a US-based legal organisation that has successfully fought similar court cases [N961004].

N.L.D. MEMBERS ARRESTED
On the night 26 Sept, a total of 109 NLD members were arrested to prevent them from attending the NLD Congress planned for 27-29 Sept. Those arrested included NLD Youth members Soe Naing and Tun Naing from Mingala Taung Nyunt in Rangoon, and NLD Youth members Myo Maung, Aung Myint, Tin Tin Win (female) and Tin Tin Maw (female) from Kyauktada [ABSDF960927].

U.S. BAN VISAS FOR SLORC
On 3 Oct, President Clinton signed a bill banning visits to the United States by Burma's military leaders or anyone benefitting from their rule. SLORC dismissed US allegations as "unwarranted pressure" and "an attempt to interfere in [Burma's] internal affairs." The travel ban exempted SLORC diplomats and left room for interpretation over how the ban should be implemented [AFP/N961006, B960920].

VISA BAN FOR AMERICANS
On 4 Oct, SLORC retaliated with its own ban on US citizens: a) who formulate or implement policies that impede the process of smooth transition in a multi-party democratic state... and members of their families, and b) who act in a manner "detrimental to the interests of the state, including persons interfering in the internal affairs of Burma and/or inciting political agitations and disturbances and members of their families." The second provision left room for SLORC to slap a ban on virtually anyone, including journalists deemed antagonistic to the junta's cause. The order said the SLORC Foreign Minister will determine "the persons who fall within this visa restriction." US State Department spokesman Nicholas Burns called the retaliatory travel ban "really ludicrous" and a bid to divert attention from human rights abuses and Rangoon's refusal to negotiate with the NLD [AFP/N961006].

SLORC DENIES ARRESTS
SLORC issued a statement saying that it had taken 'pre-emptive measures,' which included calling some "members of NLD in for questioning." It denied that there had been any arrests. The junta said the latest Congress was scheduled without official permission and risked triggering 'disturbances' which could result in 'destabilising the country' [AFP/B960928].
Burma News:

U.S. SANCTIONS APPROVED
On Sept 17, the eve of SLORC's 8th anniversary, the US Congress approved sanctions against the military dictatorship (Cohen-Feinstein Amendment - Section 569 of the Foreign Operations and Appropriations Act). The bill was passed in spite of intense lobbying against it by UNOCAL and its corporate partners. The Cohen-Feinstein Amendment is a compromise to the mandatory sanctions called for by Senators Mitch McConnell (Kentucky) and Daniel Patrick Moynihan (New York). Under the adopted legislation, the US President shall prohibit new US businesses from investing in Burma if SLORC physically harms, re-arrests, or exiles Daw Suu, or continues its repression of the democracy movement. Dr Sein Win, Prime Minister of the exiled National Coalition Government of the Union of Burma, said that "the current US sanctions bill is only the first step." The NCGUB advocates sanctions claiming that foreign investments have enabled the illegitimate SLORC to survive and more than double its army while becoming increasingly brutal and repressive, especially in ethnic areas [NCG960918].

BLOCKADE AT SHWE DAGON
On 27 Sept, 150-200 NLD activists marched to Shwe Dagon Pagoda after being turned away from Daw Suu's University Avenue compound. Security forces, including the Lon Htein riot police and soldiers blocked the roads around the NLD's Rangoon Division office south of the pagoda. A confrontation took place at Shwegondine and at Kaba Aye Pagoda Road [ABSDF960928, AFP/B960928].

SLORC: "U.S. INCITING VIOLENCE"
On 28 Sept, SLORC's New Light of Myanmar accused the US mission of helping Daw Suu plan a party congress aimed at undermining the country's peace and stability. SLORC officials said that the US urged Daw Suu to hold an NLD congress to coincide with discussions of a sanctions bill against SLORC in the US Congress [N960929].

FUEL PRICES SKY-ROCKET
On 17 Sept, hundreds of cars queued at petrol stations after petrol prices sky-rocketed amid rumours of an impending shortage. The open-market price of petrol, which was 200 Kyats per gallon, suddenly rose to 300 kyats per gallon by the weekend (The prevailing market rate of exchange is 160 kyats to the US dollar. The official rate is 6 kyats to the dollar). Unconfirmed rumours circulating the previous week said SLORC had failed to make payments, and that its crude oil supplier in Japan was owed US$30 million [N960918].

SLORC: "NO FUEL SHORTAGE"
On 21 Sept, SLORC Secretary-2 Lieutenant-General Tin U denied that there was a shortage of petrol and diesel fuel. "Those who want to take advantage of the political and economic conditions are trying to manipulate fuel oil prices," he said. At the height of the consumer panic buying, the price of petrol in Rangoon soared on the open market to 400-450 kyats per gallon and buses in Rangoon had to reduce the number of runs they make by half. Daw Suu told supporters that oil supplies had stopped because SLORC owed US$31 million. Mitsui & Co of Japan, a key supplier of crude to Burma, said on 20 Sept that SLORC was behind in some of its payments for crude oil and diesel fuel. Its contract expired on 7 Sept [Reu/B960922, 15960919,21,23].
Burma News:

N.L.D. DEFENDS RIGHT TO MEET
On 27 Sept, NLD chairman Aung Shwe denied SLORC charges of collusion with the United States and asserted the NLD's right to hold a party conferences without special permission. He also urged SLORC to immediately release all party supporters detained in the run-up to the party congress planned for 27-29 Sept. "It is typical of the present military regime that they should try to resolve political differences through draconian measures instead of finding a constructive course of action which would be of benefit to all concerned," Aung Shwe said in a statement. He noted that both SLORC and the Union Solidarity Development Association had recently marked anniversaries with great pomp and publicity. "It is, therefore, hard to understand why the NLD should not be able to hold a party congress [to mark its anniversary] without interference from the authorities." Aung Shwe also denied SLORC assertions that the NLD congress would have made demands aimed at creating confusion and undermining the stability of the state. U Tin Oo, NLD Vice-Chairman and former Defence Minister under Ne Win, added that SLORC never told the party that it could not hold a congress. SLORC district officials had, in fact, told NLD members that they could attend the Congress if they did not break any laws or contravene the work of the National Convention [N960930.AFP/N960930].

SLORC STOPS WEEKEND SPEECHES
The blockades around Daw Suu's residence remained in place on 30 Sept. U Kyi Maung, Vice-Chairman of the NLD, thought that SLORC would now permanently block Daw Suu's weekend speeches. "If they let her speak again, thousands and thousands more people will come to see her, and the military will lose face again," he said [N961001].

SLORC SAY U.S. INTERFERED
Khin Maung Win, Director General of the SLORC Foreign Ministry's Political Department alleged that Marilyn Meyers, US Charge d'Affaires in Rangoon, acted beyond the accepted norms of diplomacy by telling SLORC not to interfere or disrupt last week's planned NLD congress. Speaking at SLORC's regular monthly press conference on 1 Oct, Khin Maung Win said the incident took place at a meeting on 24 Sept. "It was interference in [Burma's] internal affairs," he added. Deputy Foreign Minister Nyunt Swe, also at the briefing, said, "No action has been taken so far against foreign diplomats violating the Vienna Convention, in consideration of friendly relations... But if violations affect national sovereignty, action will have to be taken" [N961002].

U.S. DENIES INTIMIDATION
On 1 Oct, US Charge d'Affaires Marilyn Meyers denied SLORC allegations that she had colluded with Daw Suu and threatened SLORC with reprisals if it acted against her. Meyers told reporters she and other US Embassy officials had nothing to do with the planned NLD congress. "We're certainly not giving any instructions." Commenting on Khin Maung Win's statement, Meyers told reporters: "It's a baseless, unfortunate and rather silly charge. I don't think that's a fair way to characterise the meeting... I basically wanted to share things with him and tell him the status of legislation in Washington that could affect our relationship" [Reu/B961002].

559 N.L.D. MEMBERS DETAINED
Speaking at SLORC's monthly news conference on 1 Oct, Colonel Kyaw Thein, a senior Defence Ministry official said that the 559 supporters of Daw Suu who were detained last week would soon be released but added that some might still be subject to separate legal action depending "on how great their intentions were" to break existing laws. Kyaw Thein said the 159 NLD delegates were picked up before the NLD congress scheduled for 27-29 Sept. Local police had also picked up some 400 additional party officials and organisers who will be released in conformity with police practices, he said. Kyaw Thein also repeated SLORC's accusation that Daw Suu, in collaboration with foreigners, is trying to destabilise the country and cause confrontation with SLORC. He said that she "has a hostile attitude" towards SLORC and had been "goading it" since she was released from house arrest. He said that she and her companions are causing SLORC hardship and that she was synchronizing her actions with expatriates to eventually create a direct confrontation between the people and the regime with pressure "from two directions, internal and external." Kyaw Thein said the NLD's planned Sept 27 to 29 congress was meant to cause internal and external problems for SLORC [N961002].
Burma News:

SLORC: "BARRICADES TO REMAIN"  
Police Colonel Ngwe Soe Tun speaking at the monthly SLORC press conference in Rangoon said that the blockade outside Daw Suu's residence, designed to prevent a congress of the NLD party, will remain "so long as it is necessary for peace and tranquillity." Daw Suu, however, is free to come and go as she pleased, he said [N961002]. After the May incident, the barricades in front of Daw Suu's house were removed and her weekend meetings continued. This time, it seems that the barricades will remain for the foreseeable future - Ed.

DAW SUU MEETS THE PRESS  
On 2 Oct, Daw Suu slipped pass police barricades barring access to her home and told reporters that up to 800 democracy activists had been arrested. When asked about SLORC's efforts to block the NLD congress, she said, "The level of response is always a reflection of the extent of their fear and their nervousness." She added that the latest crackdown was not a surprise and that it will help boost the NLD's legitimacy. "What has happened over the last week has been a great help to us. People are fed up with this kind of stupid behaviour and the international community agrees now the SLORC is getting worse, not better." Daw Suu said she was housing 31 people in her compound, including 8 NLD representatives who came to Rangoon to attend the congress. She revealed that she and NLD Chairman Aung Shwe had asked SLORC on 27 Sept to sit down and negotiate with the party. "None of this would have happened ... if we had dialogue" [Reu/N961003].

330 N.L.D. MEMBERS RELEASED  
According to SLORC, 330 of the 573 that were taken in for questioning had been released by 5 Oct [B961007, Reu/N961006]. SLORC initially denied that it had arrested anybody - Ed.

BARRICADES REMAIN IN PLACE  
Barricades stayed up outside the Rangoon residence of Daw Suu for the second successive weekend preventing her from making a weekend speech. The NLD headquarters, 3 kilometres from Daw Suu's house, was also still sealed off although the road in front of the building was reported to be open [B961007].

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SLORC THREATENS DAW SUU  
A commentary in all three official newspapers said: "In the not too distant future she [Daw Suu] will be accused as a political criminal... because her decisions and wrong deeds have led to many events which cannot be redeemed politically." The commentary said that sanctions against Burma will hurt the Burmese people. "Therefore, it is high time the people realise ... that the selfish acts of the NLD could bring about ill effects... [The NLD] is neither aware of the prevailing situation nor does it have any experience to rule the country and this is a very dreadful and frightening thing." The article also said that Daw Suu lacks the qualities necessary to lead a party and government. "Her stubborn spirit, immature political experience, dictatorial qualities and feminine nature...will lead to the disintegration of the country or the government and disunity among the people" [AP/B960926, N960926].

DELAYS WILL PROLONG RULE  
Senior General Than Shwe, Chairman of SLORC, speaking at the close of a the Union Solidarity and Development Association convention, said: "Efforts to delay and disrupt the ongoing National Convention will simply delay the emergence of the constitution and prolong the current type of administration." The statement, published 16 Sept in official newspapers, amounted to a warning to the NLD led by Daw Suu who have boycotted the constitutional proceedings of the National Convention [AP/N960917].

SLORC TO PROLONG RULE  
General Maung Aye, Vice-chairman of SLORC, speaking on behalf of SLORC Chairman Senior General Than Shwe to newly graduated army officers said, "Some stooges, who are relying on external elements, are disturbing and hindering the activities of building a new modern nation. By doing so they are obstructing and hindering the national convention. If these hindrances and disruptions continue, the present form of administration could be prolonged." This is the second time in a week that SLORC has said it will prolong its rule if disturbances continue. Maung Aye also urged the newly-commissioned officers to crush all internal and external destructive elements as the common enemy [N960922].
Burma News:

RUN ON MAYFLOWER BANK
There was a run on the Myanmar Mayflower Bank in July. Rumours had circulated on 15 July that the bank was in danger of bankruptcy because Heineken was withdrawing its money (Heineken announced on 10 July that it was withdrawing its investment in a brewery in Burma following a consumer boycott in the Netherlands - Ed). Other rumours had the Bank Chairman, U Kyaw Win, fleeing to Singapore. SLORC Minister for Finance and Revenue Brigadier-General Win Tin said on 23 that the Central Bank had investigated the matter and that the bank was sound. "The rumours were invented by destructive elements out of jealousy and to cause destruction to the entire private banking world," he said. Win Tin confirmed that the Bank Chairman had made a business trip to Singapore but had returned on 17 July. He also complained about "subversives with ill-will" who are spreading rumours about the new currency notes printed by SLORC [NLM960724].

New rumours say that the Central Bank intervened to save the Mayflower Bank because Win Tin is the majority shareholder - Ed.

SLORC DENIES KHUN SA IS FREE
SLORC said on 1 Oct that opium warlord, Khun Sa, is neither free nor engaging in business ventures as reported in the media. "He is under the supervision of our law enforcement officials. He is not doing any sort of business," Colonel Kyaw Thein of the Defence Ministry said at a monthly SLORC news conference. However, his colleague Major Hla Min admitted that some of Khun Sa's underlings operate a transport business with 10-15 pickup trucks on an inter-city route upcountry. "We have to allow them (to do something) or we will have to give them money from our own pocket," he said. US officials have said that if Khun Sa is not prosecuted in Burma, he should stand trial on drug trafficking charges in the United States, where a New York court has a warrant out for his arrest and the US government has put a US$2 million price on his head. Hla Min noted that the prosecution of former Panamanian president Antonio Noriega on drug-trafficking charges has failed to reduce narcotic production in that country. But since the price of opium in Thailand has risen, he said that SLORC's policy of offering amnesty has produced results [AFP/B961002]. Hla Min's remarks indicate that SLORC has already secretly granted Khun Sa an amnesty - Ed.

ABUSE OF MONS CONTINUE
Speaking at a SLORC-sponsored news conference in Rangoon, Nai Shwe Kyin, leader of the New Mon State Party, said that forced labour and other human rights abuses continue in areas of the Mon State administered by SLORC. But the behaviour of SLORC troops is improving "because they are getting more money now... they [the abuses] are slowly stopping," he added. The news conference was organised to discuss development in areas controlled by ethnic groups that have ceasefire agreements with SLORC. Total SA of France and Unocal deny reports that they are involved in forced labour and relocations, but human rights watchdogs have said that SLORC began developing the entire area with forced labour only after signing contracts with the oil companies [N961003].

APPLE ENDS BURMA BUSINESS
On 4 Oct, Apple Computer Inc of Cupertino, California, said that it has ended its business dealings in military-ruled Burma to avoid sanctions under a new Massachusetts State law. On 25 Tune, Massachusetts became the first US state to outlaw contracts by the state or its agencies with companies that do business in Burma. The Massachusetts law is relatively tough, defining 'business' as encompassing franchise and licensing agreements, distribution arrangements, and contracts to provide goods or services to the SLORC government. Representative Byron Rushing, who initiated the legislation, estimated US and foreign companies linked to Burma would be denied opportunities to bid on US$40 million in state contracts as well as quasi-governmental contracts whose value has not yet been calculated. The law which Governor William Weld says he has sent to governors of other states to encourage them to follow suit, exempts only companies engaged purely in news gathering or medical supplies. Some of those likely to be affected include General Electric, American Express, PepsiCo and its subsidiaries, United Parcel Service, Atlantic Richfield Co, Texaco and Unocal. Apple, a strong performer in the educational market, has been selling its products in Burma through an independent distributor [AFP/B961006].
Burma News:

SLORC HARASSES N.L.D. PARTY
The Irrawaddy Division SLORC has since the second week of Sept been harassing NLD members. On 18 Sep, the NLD office at Nga Tha Chaung township, Irrawaddy Division was forced to close. In Pyapon district fishermen were not given permits to fish offshore until they resigned from the NLD. In Maubin district, party members were told that the NLD was about to be classified as an 'unlawful' organization and that that happened, they would be arrested. As a result, a number resigned from the party. In Bassein district, home owners were told that their homes would be confiscated when the NLD became an 'unlawful' organization. As a result, the NLD office in Thapaung and Athok townships were closed by frightened home-owners. In a related development, the owner of the building housing the NLD Headquarters in Shwegondine, has asked the NLD to move [15960919,23].

JAIL FOR 'ILLEGAL' MODEM USE
SLORC has passed a new law providing a jail term of up to 15 years to anyone who imports, uses or possesses a computer modem or fax machine without permission. The Computer Science Development Law empowers the Ministry of Communications, Posts and Telegraphs to determine the types of computer equipment to be restricted, according to official media [B/UI961002].

SHANS APPEAL TO SLORC
On 15 Sep, Sai Nong, Chairman of the Shan State Army, a cease-fire group, wrote to SLORC Secretary-Í Lieut-General Khin Nyunt. Sai Nong said that the Shan State National Army (SSNA) led by Karmyod and the Shan United Revolutionary Army (SURA) led by Yod Serk, have agreed to join the SSA. Karmyod broke with Khun Sa in 1995 and Yod Serk broke away in January when the Merng Tai Army was ordered by Khun Sa to surrender to SLORC. Sai Nong requested that SLORC, for the sake of 'national unity' and the 'interests of the state' recognize and support the merger by extending its cease-fire terms to SSNA and SURA [B960925]. SLORC reportedly rejected the offer and vowed to crush SURA - Ed.

441 SHANS SURRENDER
According to SLORC, 441 members the Shan State National Army operating in Mong Kung, surrendered on 27 Sept with 155 assorted weapons [N960930].

N.C.G. MINISTER ARRESTED
Dr Zalithang, Chin Member of Parliament and NCGUB Minister for Social Welfare, was arrested by Indian CID police in Mizoram on 13 August. Dr Zalithang had reportedly been trying to mediate a dispute in Aizawl between the Chin National Front and a local Mizo youth organization. He was released a few days later.

DEFECTORS HANDED BACK
According to the British Broadcasting Corporation on 20 Aug, six Burmese soldiers who sought asylum in India through the NCGUB were handed back to SLORC by Indian authorities.

CHIN LEADER HANDED BACK
According to the Burma Peace Foundation on 31 Aug, John Khaw Kim Thang, founder and former President of the Chin National Front, who was living in Aizawl, was handed over by Indian Military Intelligence to SLORC. John is reportedly being held in Kalemyo.
**International:**

**DANISH SUPPORT FOR BURMESE**
At the 125th Congress of the Danish Social Democratic Party in Aalborg, on 11 Sept, Prime Minister Poul Nyup Rasmussen stated that Denmark will do everything possible through the European Union to bring about binding European sanctions against SLORC. He also said that his government will work at the United Nations General Assembly in New York this fall to strengthen the language of the UNGA resolution and try to bring about concrete action against SLORC. Last but not least, he announced that Denmark will step up support for the Burmese democracy movement especially to the exiled NCGUB. The ruling Social Democratic Party then officially adopted a unanimous resolution supporting the position of the Danish Government. Prime Minister Dr Sein Win attending the Congress as a guest of the party, said that he was very encouraged by the strong support being given to his government and the Burmese people [NCG960915].

**SLORC APPLIES FOR A.S.E.A.N.**
Malaysian Foreign Minister Abdullah Badawi said on 17 Sep that SLORC had formally applied for full membership in the Association of Southeast Asian Nations (ASEAN). SLORC Foreign Minister Ohn Gyaw handed over the application in August during an official visit to Kuala Lumpur by SLORC Chairman General Than Shwe and top members of his ruling council [Reu/N960918].

**MALAYSIANS PROTEST SLORC**
Representatives from 33 Malaysian non-governmental organisations presented a memorandum to the Foreign Ministry to protest SLORC’s application to join ASEAN. The memorandum urged the Malaysian Government and other ASEAN members to ensure that SLORC adhere to certain conditions before its application is considered. In a meeting with Foreign Ministry officials in Kuala Lumpur, the NGO representatives were assured that their memorandum’s contents would be conveyed to Foreign Affairs Minister Datuk Abdullah Ahmad Badawi. The NGOs said that ASEAN’s present policy of Constructive Engagement must not ignore the fact that SLORC is an illegitimate government, one that was not elected by the Burmese people in the May 1990 general elections[NST960919].

**SLORC'S ENTRY DELAYED**
At a two-hour informal meeting in New York on 27 Sept at the UN General Assembly, ASEAN Foreign Ministers agreed to postpone a decision on SLORC’s membership. Philippines Foreign Minister Domingo Siazon expressed reservations about admitting Burma as a full member of the regional grouping in 1997, citing the opposition of pro-democracy groups in the Philippines and the country's democratic system. Thailand, represented by Permanent Secretary for Foreign Affairs Saroj Chavanaviraj, took the same line. Indonesian Foreign Minister Ali Alatas said that there was no need to rush Burma's acceptance. Malaysia, current Chairman of ASEAN, however, said that it would like Burma to become a full member next July, at the same time as Cambodia and Laos, to coincide with the grouping's 30th anniversary. SLORC, given observer status in August, wants to become a full member in 1997. ASEAN leaders will decide on the matter when they meet in Indonesia on 30 November [B960927, B960929].

**RAMOS WANTS POLICY REVIEW**
After SLORC renewed its crackdown on democracy activist, Philippine President Fidel Ramos said on 3 Oct that ASEAN might review its policy of 'Constructive Engagement' [N/AP961003].

**MAHATHIR REJECTS RAMOS CALL**
Malaysian Prime Minister Mohammad Mahathir dismissed a proposal by Philippines President Fidel Ramos to review the 'Constructive Engagement' policy of ASEAN [N/AFP961006].
Thailand:

TAX SECURITY INCREASED
Thai security forces have been deployed along the border in Tha Song Yang district after the SLORC-backed Democratic Karen Buddhist Army threatened to attack the town. The DKBA issued the threat after Thai Border Patrol Police arrested two Karens on 17 Sept. Mi Toe, 31, one of the two Karens, is the younger brother of Colonel Sa Thwe, commander of the DKBA's Battalion 333 [B960919].

THAI THREATEN BURMESE
Thai fishermen from Ranong on 17 Sep, threatened to seal off access to the Andaman Sea and forcefully evict tens of thousands of Burmese immigrants from the province unless SLORC ensures justice following the recent killing of two Thai and three Burmese workers by the SLORC Navy. The fishermen, calling themselves the Andaman Human Rights Group, travelled to Bangkok in a six-wheel truck with five empty coffins and delivered their ultimatum to the SLORC Embassy and the Foreign Ministry. They said they came to the capital for justice because their appeal to local Thai and Burmese authorities had fallen on deaf ears. Two Thai fishing trawlers, Watheerungroj and R Chasamut, were attacked by a SLORC naval vessel on 30 Aug, about two nautical miles to the northwest of Khom Island in the Andaman Sea. Wit Khan-ngern, 39, was killed and Anuwat Sae Ping, 31, was seriously wounded during the attack. Thanet Changmek, 35, and three other Burmese were pronounced missing and presumed dead after jumping overboard into heavy seas. The SLORC navy seized the two boats. The ultimatum to evict Burmese nationals, most of whom are working as cheap labourers in the fishing and mining industries, is the most serious threat to Thai-Burmese relations since August 1995 when Burmese workers aboard a Thai boat were murdered by their Thai co-workers [N960918].

CASINO CHECKPOINT OPENS
A checkpoint in Chiang Saen district has been reopened to facilitate the completion of a casino in Burma, owned by the Thai Golden Triangle Co. A steel bridge has been built across the Ruak River to facilitate delivery of construction materials from Thailand and soldiers have been stationed at the checkpoint to ensure security. A source said Interior Minister Banharn Silpa-archa approved the reopening of the checkpoint at the request of Prasit Bodhisuthon, the younger brother of Chart Thai Member of Parliament Praphat Bodhisuthon [B960919].

AMNUAY BACKS SLORC LOAN
Thailand's Deputy Prime Minister Amnuay Vivan said that the Baht 3 billion loan to the Italthai Co by the Export-Import Bank for the Mandalay airport project was proper and would benefit Thailand. Democrat MP Suthep Thueksuban had raised the issue because the loan was approved after Prime Minister Banharn Silpa-archa's visit to Burma. Italthai executives Chaiyuth and Premchai Karnasuta accompanied Banharn on that trip and SLORC arranged for Dr Chaiyuth to sit next to him on a helicopter to discuss details of the project. Suthep suspected Banharn and Dr Chaiyuth negotiated a 'secret payment' to get the loan approved. Finance Minister Bodi Chunnanond said that SLORC is the loan guarantor and Italthai the borrower. Mandalay airport is the first project in Burma which the Ex-Im Bank is financing [B960921].

THAIS PROBE MONEY LAUNDERING
Thai narcotics police want to know how Apawee Apitummakoob, 40, managed to transfer HK$33 million (US$4 million) from a bank in Japan through a remittance centre in Hong Kong to Thailand. This follows another known transfer, also through a remittance centre in Hong Kong, of HK$20 million (US$2.5 million). Apawee, 40, a Thai passport holder, is drug warlord Khun Sa's eldest daughter. She was arrested in Hong Kong on 8 May and charged with possessing HK$33 in drug trafficking proceeds. She claimed that the money came from a Taiwan philanthropist, now deceased, in support of her father's Shan liberation movement. She was later released on bail after Hong Kong police could not prove beyond a reasonable doubt that the money came from drugs trafficking. Apawee runs a jewellery business in Chiang Mai and, according to Khun Sa's close aides, she is trusted by her father. She is reportedly responsible for a significant share of his formidable drug money kept in secret bank accounts all over the world. Her mother, Nang Ke Yoon, is Khun Sa's legitimate wife. Khun Sa has other wives and about 30 children. SLORC has granted Khun Sa special concessions in the tourism, transport and mining sectors but most are just paper and analysts believe they will be used to launder his drug proceeds [B961003].