

Moscow's Pacific network: a dossier

Part 2 of a series on foreign support of the New People's Army in the Philippines, by our Investigative Team.

Our previous article (Vol. 15, No. 38, Sept. 23, 1988, p. 44) revealed the internal apparatus of the Communist Party Philippines/New People's Army, which is the main avenue for channeling funds from external sources into the insurgency in the Philippines. This article will show the extent of the support apparatus throughout Asia and the Pacific. Recent events have shown that this apparatus constitutes more than mere backing for the CPP/NPA; it has made the "revolution" in the Philippines the centerpiece and base of operations for a Soviet-directed "people's war" throughout Southeast Asia.

Much discussion about the CPP/NPA has been afflicted by tunnel vision, i.e., viewing the revolution in the Philippines as isolated from the broader Soviet-inspired destabilization of the region. This false methodology also covers up how U.S. State Department political and economic policy in the region is playing into Soviet designs, both wittingly and unwittingly. Although it is not the intent of the report to define Soviet goals in Asia, several general points must be made:

- 1) Soviet geo-military concern in Southeast Asia is to eliminate U.S. military bases in the Philippines and the entire Asia Pacific region.

- 2) The Soviets seek to end American and Western influence in the region.

- 3) The Soviets support the creation of civil war conditions and "liberated zones" in the most politically fragile of Southeast Asia states to serve as "new Vietnams" to rally radical forces throughout the region. This would entail building a support apparatus internationally, precisely on the "Vietnam peace movement" model of the 1960s and 1970s.

- 4) The Soviets are building on the Philippine support apparatus, to create the infrastructure for revolutionary movements in countries such as Malaysia, Singapore, and Thailand.

The NPA's support network in Southeast Asia is primarily based in Australia, Hong Kong, and Japan, although operations exist in New Zealand, the Association of Southeast Asian Nations (ASEAN) countries, and even among extremists in the Republic of China on Taiwan who oppose the Kuomintang government. **Table 1** is a listing of "visitors" from overseas who have traveled to the Philippines to make

contact with the CPP/NPA over a two-year period.

According to recently seized CPP/NPA documents, the purpose of these overseas operations has been to "set up and open mechanisms for propaganda/communications relay, finance, logistics, and research work to meet the requirements of the homefront." These activities are handled by the Asia Pacific Committee of the Communist Party of the Philippines' International Department. *Australia* serves as a key conduit for international contacts into the United States and Western Europe, and most particularly the Soviet Union and the countries of Eastern Europe, through the left wing of its Labour Party and its three Moscow-oriented communist and socialist parties. *Hong Kong*, the organized crime and narcotics capital of Asia, serves as the headquarters of the CPP's operations throughout Southeast Asia, including weapons purchases. *Japan*, with its large number of extremist groups, serves as an entry point into the Terrorist International.

1.1 Australia: taking Maoism out of the CPP/NPA

At the end of the 1970s, the CPP/NPA leadership began to drop its Maoist orientation, and started to reopen contacts and channels of support from the Soviet Union—particularly since the Chinese had seen it in their interest to keep American bases in the region. From evidence gathered by researchers, it seems the CPP/NPA support apparatus in Australia, which is under the direction of the Australia Support Group (codenamed IVY III) of the Asian Pacific Committee, played a key role in this shift.

Inside the Philippines, the sequence of events was as follows. With the arrest of the old leadership, including Jose Maria Sison, founder of the CPP, and Bernabe Buscayno (alias Commander Dante) in 1977 and 1976 respectively, the way was cleared for a reorientation toward open ties to the Soviets. By 1982, under the new leadership of Rodolfo Salas, the CPP authorized its National Democratic Front to issue a new draft program, dropping all Maoist jargon and attacks on the Soviet Union.

Already in 1981, the first Soviet arms—including AK-47 automatic assault rifles—were smuggled into the Philippines via South Yemen. According to unchallenged court

affidavits, \$30,000 was provided by the CPP/NPA/NDF European representative in Utrecht, Netherlands, to the smuggling team that passed through Europe on its way to South Yemen. By 1983, *Ang Bayan*, the CPP/NPA newspaper, published articles openly praising developments in Soviet client states including Vietnam, Angola, and Mozambique. In August 1984, the Philippine Navy seized a Vietnamese naval vessel near a Philippine island that was believed to have been attempting to smuggle a shipload of weapons to the NPA.

The Australian support apparatus that helped to bring this shift about, intersects a campaign in New Zealand and the smaller Pacific island states, against U.S. and French protectorates, to force the withdrawal of vital U.S. military facilities and French nuclear testing sites.

The apparatus comprises three interlocking networks: The first is made up of elements among the left-wing trade union movement involving individuals from the pro-Moscow Communist Party of Australia, the Moscow-oriented Socialist Party of Australia, and the left wing of the Australian Labour Party. The second includes a number of "solidarity groups" comprising former members of the student movement, radical environmentalists, anarchists, and liberation theologians. The third comprises several church-related funding institutions documented to be funding the above networks, as well as suspected CPP/NPA fronts in the Philippines.

1.2 Australia trade union support networks

Within the Australian trade union movement, two individuals played key roles through building support for the Filipino May First Movement (KMU), the trade union which is a constituent member of the CPP/NPA's National Democratic Front: *John Halfpenny* of the Australian Amalgamated Metalworkers Union (AMWU), and *Pat Clancy*, National Secretary of the Building Workers Industrial Union (BWIU).

Halfpenny began working in the Philippines following the 9th Congress of the Soviet-backed World Federation of Trade Unions (WFTU) held in Prague in April 1978, where the Philippines was an important agenda item. Both Halfpenny and Clancy were at that meeting. Halfpenny was for 28 years a member of the Communist Party of Australia, and had been extensively trained in the Soviet Union in the 1960s as a leader of the CPA's Eureka Youth League. Leaving the party in 1979, he joined the Australian Labour Party, becoming one of the most vocal members of its left wing in 1983. Pat Clancy, besides his union position, was president of the pro-Soviet Socialist Party of Australia until a recent split, and is still on the General Council and Executive of the WFTU. He also plays a prominent role in the Soviet-sponsored World Peace Council.

Upon their return, Halfpenny, Clancy, and other left-wing trade unionists formed the Committee for International Trade Union Unity "against imperialism, for higher living standards, world peace, and a new world economic order." Clancy's BWIU formed its main base. In 1983, Pat Clancy

TABLE 1

Number of visitors from Asia, Australasia, Europe, and North and South America between 1986 and 1987

Western Europe		Asia		North and South America	
The Netherlands	113	Japan	877	U.S.A.	132
West Germany	96	Australia	121	Canada	79
France	75	Hong Kong	34	Argentina	1
United Kingdom	38	India	18		
Italy	32	Thailand	15		
Belgium	28	New Zealand	14		
Sweden	15	Taiwan	7		
Ireland	10	Indonesia	7		
Austria	10	Korea	4		
Denmark	7	Malaysia	3		
Norway	6	Pakistan	1		
Yugoslavia	3	Bangladesh	3		
Spain	3				
Greece	1				
Poland	1				
Total					1,753

formed the Philippines-Australia Union Links (PAUL). Meanwhile in 1980, at Halfpenny's initiative, the Pacific Trade Union Forum was formed at a peace conference in Hawaii. While the former maintains a broad involvement in Asia and the Indian Ocean as well as the Pacific, the latter is concentrated more in the Pacific, playing a role in anti-nuclear campaigns.

The impact of the Prague conference and the work of the Australians were quickly felt in the Philippines. By October 1980, the Filipino affiliate of the World Federation of Trade Unions, the Trade Unions of the Philippines and Allied Services (TUPAS) of the Moscow-backed PKP (Philippine Communist Party), and three other WFTU-affiliated members joined forces with the National Democratic Front's May First Movement (KMU) to form an organization called "Solidarity." The move marked the Soviets' first open act against the government of Ferdinand Marcos.

Building on this momentum, Clancy and Halfpenny pooled forces to form Australia-Asia Worker Links, comprising 22 affiliated Australian trade unions, including Halfpenny's AMWU, as a full-time Australian support base for the KMU in the Philippines. Through the AAWL's "Philippine Workers Solidarity Fund," financial support is channeled to the CPP/NPA through its legal front organizations. In 1985, the AAWL sponsored a tour of the Philippines for 17 Australian trade unions to inspect the various activities of the KMU and other NDF-related organizations. That same

year, the AAWL sponsored a tour of Australia and New Zealand by Carlito Rallistan, national council member of the KMU. Through their affiliated trade unions and ties to other Australian-based Philippine solidarity groups (see below), various campaigns and fundraising drives have been carried out in support of the KMU.

1.3 Solidarity groups

There are several political support groups, all interlinked. They were formed in part as a result of the activities of Halfpenny and Clancy in connection with left-wing networks in the Catholic and Protestant churches, as well as the Australian Communist Party, the Socialist Workers Party, and the Socialist Party. The two principal groups are the Philippines Action Support Group and the Philippine Resource Center.

1.3a Philippine Action Group: Based in Melbourne at an address that was formerly the AAWL's, its primary focus is to campaign for the removal of U.S. bases from the Philippines, as well as human rights issues and general support of many of the CPP/NPA fronts. It is part of "solidarity" organizations with such openly Marxist and revolutionary groups as the Committee Against Repression in the Pacific and Asia, Palestinian Human Rights Committee, Chile Solidarity (a support group for leftist forces in Chile), the South African Support Campaign (which drums up support for the Communist-dominated African National Congress), and the Committee in Solidarity with Central America and the Caribbean (a solidarity group that mobilizes for Cuba, the Communist movement in El Salvador, and the Sandinistas in Nicaragua). This should not be surprising, since the leadership of the Philippine Action Group includes members of the Communist Party of Australia, the Socialist Party, and the Socialist Workers Party.

They also conduct lobbying work within the leading Australian parties, including the Labour Party and the conservative National Democratic Party, etc.

1.3b The Philippine Resource Center (PRC): originally established by World Christian Action, an agency of the Australian Council of Churches of the World Council of Churches. Although it now operates independently of the World Christian Action, it shares the same address as the AAWL and the same post office box as that of the Philippine Support Group. The PRC functions as a documentation center for the entire CPP/NPA support apparatus in Australia, and its publication, *Philippines Newswatch*, is filled with stories sympathetic to the causes and activities of CPP/NPA and their front groups.

Moreover, its address is the contact address for the Philippine Solidarity Committee, which comprises the Philippine Australian Support Group, the AAWL, Christians for Justice in the Philippines, Human Rights for Filipinos Campaign, La Robe Students in Solidarity with the Philippines, Campaign Against Repression in the Pacific and Asia, the Student Christian Movement, and other organizations.

TABLE 2

Classification of visitors

Support group	359
Journalist	227
Individuals	166
Funding agencies	46
Church group institutions	125
Mass movements	55
Independent progressive institutions	19
Political parties	18
Other	37
Total	1,753

1.4 Funding organizations

All the above are tied together through the purse strings of various nongovernmental organizations (U.N.-designated lobbying agencies) including the Australian Council of Churches, Force Ten, and Community Aid Abroad.

1.4a Australian Council of Churches (ACC): a member organization of the World Council of Churches, cited in Part 1 of this series as the key international organization involved in building support for the revolution in the Philippines. The ACC maintains direct contact with the Philippines' own National Council of Churches. Over the past several years, their Philippine aid program has amounted to over \$150,000 annually. In the Philippines, they are financing human rights groups and various organizations such as the Peoples Action for Justice and Peace which are obviously dominated by the liberation theologians. In Australia, they finance the AAWL and the Philippine Resource Center with direct grants, and in Hong Kong, they fund the Resources Center for Filipino Concerns, an organization considered highly infiltrated by the CPP/NPA.

1.4b Force Ten: a funding agency founded jointly by the Australian Council of Churches and Australian Catholic Relief. It, too, is funding the AAWL. In the Philippines, it has helped to finance the Centre of Nationalist Trade Unions in Mindanao (CENTUM). It is also a constituent organization of the National Democratic Front's May First Movement.

1.4c Community Aid Abroad: a non-church-related group whose financial sources include the Australian Development Assistance Bureau, a government agency. In past years, it has given tens of thousands of dollars to the above-mentioned Philippine Resource Center, AAWL, the Philippine Solidarity Committee, and other Australian-based support groups. Within the Philippines, it has financed such leftist church organizations as the Ecumenical Movement for Justice and Peace, as well as the Center for Labour Education and Research (CLEAR), an organization linked to the May

First Movement. It also financed the Resource Development Foundation, which has been suspected of being a conduit of funds to the NPA.

2.0 Hong Kong: center of CPP/NPA overseas operations

Hong Kong, the only truly open city of Asia in the old 19th-century tradition, serves as the headquarters of major bank and commercial enterprises of the Far East; it is more famous as one of the major entrepôts of the world of narcotics trafficking and organized crime. It is in this criminal atmosphere that the CPP/NPA have established their most important overseas operation. It is here that the bank accounts, forwarding companies, and other logistical centers are located to facilitate the purchase of weapons and transfer of hundreds of thousands of dollars annually to furnish the NPA guerrillas and terrorists in the Philippines.

Intelligence sources say the CPP/NPA operations are coordinated out of the Hong Kong Support Group (codenamed IVY) of the Asia Pacific Committee (codenamed Combank) of the CPP's International Department. Also part of this

apparatus is the Research and Documentation Department which conducts intelligence activities in support of operations in the Philippines.

According to captured documents, Hong Kong's functions fall into two categories: 1) a center for transfer of funds into the CPP/NPA bank accounts for purchase of arms, ammunition, travel expenses, etc., and 2) a base of operations for organizing the Filipino communities in the area for direct support and participation in the National Democratic Revolution/National Democratic Front.

Further, Hong Kong is a key liaison point for contact with revolutionary organizations throughout Asia, particularly among the ASEAN nations. These operations overlap with the World Council of Churches and other left-wing church centers throughout the region.

2.1 Offshore banking and the funding of the revolution

The Hong Kong Support Group and Research and Documentation Department help to coordinate an apparatus involving bank accounts, forwarding companies, and other

TABLE 3
CPP/NPA front and support organizations in Asia

Australia

I) Trade unions

Australian-Asia Workers Links (AAWL)
 Philippine Australian Union Links (PAUL)
 Pacific Trade Union Forum (PTUF)
 Committee for International Trade Union Unity (CITUU)
 Philippine Workers Solidarity Fund
 Australia Council of Trade Unions (ACTU)
 Amalgamated Metal Workers Union (AMWU)
 Building Workers Industrial Union (BWIU)

II) Political groups

Philippine Action Support Group
 Philippine Resource Center
 Philippine Solidarity Committee
 Human Rights for Filipinos Campaign
 Campaign Against Repression in the Pacific and Asia
 Nuclear Free and Independent Pacific
 Australia Freedom and Hunger Campaign
 Socialist Party of Australia
 Communist Party of Australia
 Socialist Workers Party
 Revolutionary Solidarity Committee
 Phil-Australian Community Assistance Program

Japan

JCNC
 Pag-asa
 Kohuju Committee to Save Negroes
 Alter Tour
 Japan Committee for Afro-Asian Peoples' Solidarity
 Resource Center for Philippine Concern
 Asian Rural Institute
 Japanese Communist Party
 Japan International Volunteer Center

New Zealand

Philippine Solidarity Network
 Philippine Solidarity Group
 New Zealand Federation of Labor

Hong Kong

Hong Kong Support Group of the CPP/NPA's Asia-Pacific Committee
 Mission for Migrant Filipinos
 Association of Community People's Organizations
 Resource Center for Philippine Concerns

Malaysia

The Marxist Group
 Bakong Longhouse Literacy Programme

logistical operations required for the transfer of funds and purchase of arms and ammunition for the revolutionary forces in the Philippines. The networks stretch from Hong Kong into Singapore, Malaysia, and other countries of Southeast Asia. According to *Far East Economic Review*, one unconfirmed report indicated that one account was at the Hongkong and Shanghai Bank, one of the largest in Asia.

Funds come from three kinds of sources: 1) monies deposited from revolutionary taxes imposed on multinational corporations operating in the Philippines, 2) monies derived from siphoning funds from international non-government funding agencies, such as the Asia Partnership for Human Development, as well as support groups in Western Europe and North America (see below), and 3) monies collected from Filipinos living abroad.

Information concerning the first category has yet to be made public, although documents captured by Philippine authorities over the past year are said to reveal a large network of bank accounts and front companies. In the second category, quite a lot more information is available.

According to documents recently captured by military authorities, CPP/NPA cadres operating out of the Hong Kong Support Groups and the Research and Documentation Department have been employed at various church-related institutions and research centers. Here they not only achieve legal status in order to operate freely, but are able to directly identify possible funding agencies and conduct intelligence activities and international propaganda work in support of the revolutionary cause in the Philippines.

2.1a Asia Partnership for Human Development (APHD): Founded in 1973, the APHD is a Catholic Church-linked international funding agency. It comprises 21 member Church-related funding organizations from Western Europe, Asia, and the Pacific. Funding agencies of the Catholic Church of such countries as Belgium, Ireland, Australia, and New Zealand transfer funds totaling over \$3 million annually directly to the APHD, which in turn approves grants for various projects. As early as 1983, the APHD had been rumored to be transferring funds for the purchase of weapons for the CPP/NPA. It was apparently because of such rumors and continued concern and pressure by conservative elements in the Australian Catholic Church, that the APHD chose to move its headquarters from Australia to Hong Kong. The move also facilitated ease of transferring funds.

As with many of these funding agencies, the projects financed have titles that are deliberately vague in order to mask their intention. As reported in Part 1 of this series, some projects actually exist as described, but received only 40% of the funds allocated, while the other 60% is siphoned off by CPP/NPA cadre who have infiltrated the organization. Nonetheless, the APHD has openly financed at the level of tens of thousands of dollars, such CPP/NPA support organizations as the previously mentioned Australian Asia Workers

TABLE 4

Church organizations and funding agencies

Australia

Australian Council of Churches
 Australian Catholic Relief
 Christians in Solidarity with the Philippines
 Force 10
 Community Aid Abroad
 Christians for Justice in the Philippines

Hong Kong

Asia Partnership for Human Development
 Friends of the Philippines

Thailand

World Council of Churches

Republic of China (Taiwan)

Wandan Presbyterian Church

Links, the Task Force Detainees (known to be heavily infiltrated by the National Democratic Front), the Philippine Resource Center (another known CPP/NPA support operation in Hong Kong), and others. In 1986, they helped to finance a tour of the Philippines organized by the Amsterdam-based Transnational Institute, which is the European affiliate of the notorious Institute for Policies Studies of Washington, D.C., which serves as the think tank for the left-extremist groups in the United States. In 1986, financial support for Philippine projects amounted to \$240,047.

2.2 Hong Kong: center for revolutionary support throughout Asia

The object of CPP/NPA activities in Hong Kong is to coordinate revolutionary activities in Malaysia, Singapore, Thailand, and even the Republic of China on Taiwan. Filipino migrant workers laboring in all these countries, in addition to workers in the Middle East and Libya, form a key target of CPP/NPA subversion and fundraising. Terrorist and revolutionary organizations and cadres of the respective countries travel to the Philippines for training and support. Such contacts and operations are handled through Hong Kong so as to avoid detection. Coordinated by the Hong Kong Support Group, the CPP/NPA cadres operate through several front groups. In most cases, there are legal and open organizations, and then within them, underground secret organizations. They include the following.

2.2a Mission for Migrant Filipinos: Codenamed MINI in CPP/NPA documents, this is the most important of these

front groups. Although a creation of the CPP/NPA, it is a totally legal and open organization with the avowed purpose of representing the interests of the sizable overseas Filipino migrant worker community. It never openly works with anti-government organizations or openly supports any anti-government activities. Nonetheless, it serves as a key vehicle for underground propaganda work and recruitment into the National Democratic Front, and then directly into the CPP/NPA. In conjunction with another front group codenamed Archi, it creates legal bases to suit the requirements of funding agencies such as the Asian Partnership for Human Development.

2.2b Association for Community Peoples Organization: a Hong Kong-based legal operation involved in approving funding for projects of nongovernmental organizations. According to intelligence sources, a recently captured CPP/NPA cadre served on its staff, using it both as his "cover" and as a conduit for funds from international funding agencies. This individual traveled to various Southeast Asia nations, particularly those of ASEAN, facilitating the request for funds for various projects, whose ultimate purpose was revolutionary actions in their respective countries.

Such revolutionary cross-fertilization has been documented by the Malaysian White Paper that one internal security agency published in March 1988, entitled "Towards Preserving National Security," which reports that members of the so-called "Marxist Group" cadre "received their training in the Philippines through the Philippines Educational Theatre Association (PETA) and Kilusang Mayo Uno (KMU) or May First Movement, which are pro-communist organizations." The former is a revolutionary theater company which has received over \$200,000 in grants from West European nongovernmental funding agencies, while the latter has been shown to be as a CPP/NPA front throughout this report. The Malaysia White Paper also revealed photographs of members of the Malaysian Marxist Group, Sivamoorthy S/O Solai and Julian Jayaseelan, participating in anti-government demonstrations in Manila. It is also believed that NPA cadres have undergone military training in more remote regions of Malaysia such as Sarawak.

2.2c Resource Center for Filipino Concerns (RCFC): one of many Philippine "resource" or "information" centers that can be found throughout the world. Most are decidedly pro-CPP/NPA if not mere front organizations for its National Democratic Front. The RCFC has received financial assistance from the Australian Council of Churches and other affiliates of the World Council of Churches. The RCFC functions as an intelligence center and propaganda distribution center for the CPP/NPA, National Democratic Front, and related support entities such as human rights groups or labor groups. It also identifies possible sources of funding and supplying of documentation to fulfill aid agency requirements.

3.0 Japan: linking with the Terrorist International

Operations based in Japan are carried out by the Asia Pacific Committee's Japan Support Group, codenamed IVY II. The Japan Support Group oversees front groups with similar names to those found in Australia and Hong Kong, such as the Resource Center for Filipino Concerns and the Japan Committee for Afro-Asian People's Solidarity. Although its activities in general are similar to its operations in other countries—"support of the homefront"—it serves as the key entry point into the Terrorist International.

In November 1987, the Japanese National Police Agency arrested Osamu Maruoka, leader of the Japanese Red Army (JRA) terrorist group, who was responsible for the infamous 1977 "Lod Massacre" where 24 persons died at Israel's Lod Airport, near Tel Aviv. His arrest caused the unraveling of a terror network that led to Manila, the Middle East, Western Europe, the United States, and North Korea. The evidence pointed to a full-scale revival of the notorious Japanese Red Army including preparations for attacks American military facilities in Europe and the Philippines—which were successful—and preparations for hit attempts against the Seoul Olympics and the Toronto Economic Summit. The nucleus of the operation was to be the "Anti-War Democratic Front"; its base of operations was Manila.

In June 1988, Philippine authorities arrested Hirochi Sensui, another fugitive Japanese Red Army member who had undergone plastic surgery in Manila. It was soon revealed that other known JRA members such as Kazuo Tohira had traveled to Manila to meet him.

The JRA's ability to operate out of Manila could only have been possible with direct CPP/NPA support. This support is confirmed by other reports that the murder of American servicemen near Clark Air Base outside of Manila last year by CPP/NPA "Sparrow Units" (hit squads) was in fact the work of a JRA team. Moreover, according to reports of the British-based Institute for the Study of Terrorism, NPA men are being trained by the JRA in the Bekaa Valley in Lebanon, as well as in South Yemen.

Besides the JRA, Japan is the hub for contacts with other terrorist groups such as the Middle Core, Battle Flag Communist League, and Hazam Group of the Revolutionary Workers' Councils. Since Japan has the most "visitors" arriving in the Philippines for making contact with the CPP/NPA, it is certain that individuals from these groups have made the pilgrimage many times.

The other important role of Japan is contact with North Korea. It is a well-known fact that the North Korean intelligence services utilize Japan and its large Korean community for their operations, particularly terrorism. Although it has not been confirmed by our investigative team, contact with North Korean agents, for arms, logistical support, and mutual aid, can hardly be ruled out.