

AN INTERVIEW IN HANOI

by Kathleen Gough

Following is an excerpt from a recent interview with Hoang Tung, editor of Vietnam's major newspaper, Nhan Dan, dealing with Vietnam's developing economy. Gough spent 9 weeks in Vietnam and Kampuchea studying political and economic development during January-March, 1982. Her research was funded by the Humanities and Social Sciences Research Council of Canada.

Reports in the West suggest that economic conditions have improved very little in Vietnam since 1976. The food situation is said to have deteriorated. Is this true, and if so, how do you explain it?

The situation in our country has undergone a complicated development in the last five years. One thing you didn't expect and I didn't expect was the attack by China. We may have feared it, but we didn't expect it would come so quickly. We did our best to delay it but we failed. You might call it the will of God; I'd call it the will of the Chinese; anyway we couldn't help it.

This war, started by the Chinese, greatly upset us. It was closely linked with the US-China collusion. It represented the disintegration of the world front after the war in Vietnam. Because of this upset we had to do many new things, but our capabilities are limited.

How to rehabilitate a very backward economy, devastated by several wars? At the outset we believed that if we tried, bit by bit the situation would automatically improve. We hoped for improvement in the not too distant future. In 1976 we put up targets for economic development and improving the living conditions of the people, but we couldn't attain them, for several reasons. One was the outbreak of new wars, as I have mentioned. That kind of war is no longer at our threshold, but the threat is there, so we still have to maintain our armed forces to defend our territorial integrity even better than before.

We also cannot fail to defend Laos and Kampuchea. The US and Canada feel they have to set up military alliances even in Europe—up to Turkey!—so our zone of security is really very modest. Because you know, they always attack us from the flank. Now they are using Thailand, through Kampuchea, to attack us. Of course the Kampucheans asked us to help them. But we also volunteered, in order to defend both them and ourselves. The Chinese have four million troops. So we have to spend very heavily for military expenditure and curtail our funds for reconstruction. This is one of the reasons for our failure.

The second reason is that we did not completely realize the consequences of war, especially, the depth of the wound, and the difficulties of a dependent economy. That is, an economy some of whose essential needs have to be met from outside. Our industrial establishment simply couldn't meet our requirements. In the south it's even worse than in the north. We don't have fuel, or very little. We have no steel yet. Well, we have a few hundred tons of poor quality steel; that's all. We have no textiles to speak of . . .

However, in the last five years we have been able to build some major industrial establishments. In fact, in these five years we have doubled the industrial constructions of the past. But we couldn't do all we planned; we had to wait for a thermal power station. Now it's nearly ready; it is in north Vietnam. It will provide 600,000 kilowatts to begin with, so including hydro-electric power we shall soon have 2 million kilowatts. We shall start hydro-electric power in 1983. Now we are planning another hydro-electric station in south Vietnam. We are quite rich in hydro power if we have the ability to harness it. In fact we shall have 30 million kw. if we harness everything—we can have a power station in every province. Our scientists think 70 million kw. can eventually be produced in the whole of Indochina, including coal. The Mekong Committee has made these calculations. We shall also have solar and wind power. Some small experiments are going on already, but those will mostly come later. It's quite promising, but we cannot hurry.

Our food production does keep increasing year by year. 1981 was a good year. The total production by the state (not private) was more than 15 million tons of cereals, 90 percent of it rice and 10 . . .

FILE

DATE

1/82

subsidiary crops. That's apart from all the other crops and apart from private produce.

Why is it not enough yet? Well, two reasons. One is that our population is increasing even faster. It has been 2.5 percent per annum, though it went down to 2.3 percent last year. We have 47 million people in the countryside and more than 11 million in the cities and armed forces. The other problem is transport. The countryside has a surplus, but it's concentrated in the Red River and Mekong deltas. People in the villages, generally speaking, are well fed, though they haven't much extra. The main problem is to channel supplies to the cities and the army. Unfortunately, the main supply has to be shifted from the Mekong delta to the north, and gas is a big problem. Still, we are drilling offshore for oil in south Vietnam.

I thought you were drilling in the north—that this had begun in 1976?

We had to stop it because of the Chinese infringement of our waters. But we are drilling inland—we have some oil near Hanoi. . . You'll soon be smelling Vietnamese petrol in Hanoi. We also have natural gas; maybe we can use that for cooking.

To continue about food, in the last few years the natural calamities have been disastrous. But you know about that—you know we had the most terrible floods and droughts, in 1977 to 1980.

During the war years, especially against the USA, other countries sent 20 percent of our food requirements. This excluded our purchases of flour. During the war years, the whole of Vietnam received a minimum of 3 million tons of food a year as aid to both north and south. That, of course, has stopped now. We are closing the gap, but we still need to import about one million tons a year. We shall try to solve the food problem in the next few years, and I think we can. In 1981, for example, our production increased more than ten percent. . . . But in 1981 we did have bumper crops, partly because we have reorganized agricultural production; this is a real advance. Now we can expand and perfect this new kind of organization everywhere. If we succeed, we can increase our production by about 20 percent in the next few years.

However, unless we are to stop at that, we shall have to industrialize agriculture. We do have really good possibilities to increase our agricultural yield, but we need the green revolution package. Yes, we have some, and we produce our own HYV's (Ed. high yield varieties) successfully, but we need more pesticide, oil, and fertilizer. The new varieties are not resistant to disease. The Japanese can produce 10 tons per hectare in one crop. We try for two crops, and an average of 2.5 tons in each crop. In some places like Thai Binh we try for 10 tons per year now, but it's difficult. In some Southeast Asian countries the yield is very high, but the cultivated area is small, and their distribution is not like ours. For example, Thailand exports 25 million tons a year, but General Prem said just recently that 10 million there are going hungry. Even in India and Malaysia the problem is not solved. India produces about 130 million tons for 690 million people. We are producing 15 million for 58 million people—at the moment, we have the edge. China has just quoted a figure of 300 million tons for more than a billion people, so their yield is not too high. And in the last few years the Chinese have taken 26 million hectares out of cultivation by building highways, houses and factories. And the backward farming methods eroded the land under Mao. But the food problem is acute throughout Asia—Vietnam is no exception.

What about the land that was destroyed in the war?

Almost all of it has now been rehabilitated. But it cost us dearly; 10,000 people have been killed in the fields, removing mines, since the war. About half a million hectares of formerly cultivated land still lie fallow because of the war. Also, deforestation has spoiled the climate of nearby cultivated areas in some places, especially in central Vietnam. Some millions of hectares require reforestation. It's a long effort, and the soil has deteriorated. In some places Agent Orange remains in the soil, and dioxine has penetrated the water and the leaves. It will take time to disappear.

There seems to be an increasing reliance on market trade, and I see that land is being leased out privately to families in agricultural cooperatives for part of the year. Are these developments linked? Why are they occurring? Are they seen as temporary, to tide over a crisis, or as long term?

One aspect of our policy is to let the free market develop in the countryside, especially in handicrafts. The private economy in the villages also includes fruit, stock, fish from small family ponds, and vegetables.

The state must control the main sector, including electricity, steel, mechanical engineering, and the major chemical industries. But small production units are also necessary, and these the state can well afford to leave to coops or individuals. It solves a problem of organization, and the state can buy from them. What the state doesn't buy, they are free to sell in the market. In this way the state can concentrate on developing the major things and on realizing the potentials.

However, there is another kind of free market, those who compete with the state, and the smugglers and black marketeers. We cracked down on them in 1978, and continue to do so where necessary. . . . But we do rely more on the market than before, and find it works well. In the past, the state purchased all the produce that was grown collectively from the peasants. Now, the state takes a quota and the peasants are free to sell the rest where they like.

The situation is different in the south. There, a trade economy had developed in the past, especially among the Hoa (ethnic Chinese). Even now, we have half a million petty traders in the South. What we mainly cracked down on there was the illegal trade, smugglers who had a link with foreign countries, or illegally with state enterprises. It's a difficult problem because we have so many borders. Gold, diamonds, all kinds of stuff come in, and we can't entirely control it, although we try.

The state need not control everything, but it must control the key areas. In the north, we have the state, the cooperative, and the private or family sectors. In the south, we also have joint enterprises of the state with private firms, and some formal capitalists—small industrial producers. They will continue for some time, as complementary forces, but they will also try to compete with the state with respect to raw materials, so we have to know how to control them. In a nutshell, the state is not yet able to fulfill all society's needs, so we have to make creative use of other organs.



PHOTO: Irene Davies

Production for condensed milk plant at Moc Chau dairy farm.