

VIETNAM AT THE CROSSROADS

The bottom has dropped out of the Vietnamese economy; Canada could help Vietnam end its isolation and re-enter the world political and economic system.

BY GÉRARD HERVOUET

WHEN ASKED, "WHAT, IN your opinion, is the most serious threat now facing Vietnam?", a colonel with the army newspaper *Quan Doi Nhan Dan* was quick to answer, "Under-development!" In the capital, Hanoi, sweltering under the oppressive July heat of this past summer, the economy is clearly the top concern. The fiercest battle of all is being waged on the domestic front. The external threats have not disappeared, but there is now an effort by the government to reduce the emphasis on both the war in Kampuchea and the recurrent skirmishes along the border with China.

Vietnam's extreme under-development is disturbing for the visitor, and the peoples' pride and dignity make their suffering all the more painful. That pride leads them to stifle complaints and visitors from the West are often troubled by looks of pain or contempt. Vietnam is one of the twenty poorest countries in the world. In 1985, the International Monetary Fund estimated annual per capita income at about US \$160. The agricultural sector can barely satisfy domestic demand for rice, and only does so because there was a good harvest in 1986. Between 1977 and 1980, 700,000 to 1 million metric tons of rice had to be imported each year. Even these figures are misleading because the current self-sufficiency in food production is apparently based on consumption levels dictated by rationing and very low purchasing power; they fall far short of real needs. As recently pointed out by Vo Van Kiet, Chairman of the Planning Commission, rice production has stagnated for the last

three years while the population has grown by more than a million each year.

In December 1986, the Sixth Congress of the Communist Party of Vietnam openly admitted the failure of the policies introduced since 1975. Its findings are damning:

Failure to meet a number of major targets in the last five-year plan affected all sectors of the economy. . . Output generally amounted to only half of capacity. Our country's natural resources have been wasted . . . The environment is being destroyed.

The Sixth Congress report also observes that there are millions of unemployed or under-employed workers and says that "in rural areas (which have more than eighty percent of the population), there is a serious shortage of basic necessities and medications." Hygiene and health conditions are very poor; in Ho Chi Minh City (formerly Saigon), 195,000 homes reportedly lack water, 120,000 have no sanitary facilities and more than 100,000 are without electricity.

No Vietnamese official tries to hide the truth. One told us, "We are short of everything: we need paper, books, tractors, fertilizer . . . We know our country is rich, and has enormous potential, but how can we tackle all of our problems at once?"

SELF-CRITICISM IS THE ORDER OF the day in Hanoi, with the blame for poorly defined goals, bad choices or hasty decisions placed squarely on the Party. In interviews, Vietnamese officials expressed particular concern about the best way to transform a civilian

society, on how to reorganize an administration in which no one is willing to accept responsibility, and ways to deal with a lack of discipline throughout the society.

Even more worrying were the "negative demonstrations" by the people - in other words, the anti-socialist tendencies of the public and a crisis of confidence about the nation's leaders. Despite appearances and the strict control the government exercises over its people, the government turns a blind eye to corruption, black marketeering, and the hoarding of medical supplies; these at least make the harsh living conditions tolerable.

How have things come to such a pass? The official line is not kind to the Party. Truong Chinh, a prominent leader and past General Secretary, stated in no uncertain terms at the Sixth Congress that the failure of the economic reforms was due "above all to the central committee, the Politburo and the government."

Unlike other Socialist countries, Vietnam's Communist Party has never really been racked by bloody purges or marked by open strife between rival factions. In the past year, however, the Party and State apparatus has brought in several reformers, the most notable being Vo Van Kiet, ranked fifth in the Party hierarchy. Unfortunately, customary professions of faith in continuing to build a socialist society give them little room for manoeuvre. In addition, since the average age of the new communist party leadership is still over seventy, the Party is in no way representative of what is a very young society (more than fifty percent under twenty years of age). Vietnam's adults remain severely trau-

matized by successive wars, while the younger generation, eager for access to consumer goods, view the current conflicts with apprehension and skepticism.

Just as Vietnam has failed to curb population growth so it has failed to absorb the conquered South. The disparities in development between North and South are too large to eliminate through political will alone. Despite purges, re-education and political conversion, the population of the South continues to prove more dynamic than the North. Integration of the South has done nothing to end either traditional rivalries or the scars of the more recent civil war. The Spartan northerners cannot easily forget all they endured to "liberate" their brothers in the South, whose sufferings were of relatively little account compared to those of the North Vietnamese.

Finally, the war in Kampuchea, aggravated by conflict with China, remains one of the basic factors in the deterioration of Vietnam's economy. Since 1979, Vietnamese intransigence in refusing to make even the smallest concession in order to settle the situation in Kampuchea, has cost it dearly. The anti-Vietnam coalition, which includes such strange bedfellows as China, the Association of South-east Asian Nations (ASEAN), the rebel coalition of Democratic Kampuchea (CGDK), many Western European countries, the United States and Canada, has raised the anti even further. The stakes are now too high for Vietnam to back down. Vietnam has already suffered staggering losses, and the price of the Cambodian occupation can be measured in the following terms: the suspension of Chinese