

DIRECTION FOR DEVELOPMENT OF 5TH DISTRICT HANDICRAFT AND INDUSTRY FROM NOW TILL 2000

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I. PRESENT CONDITION OF 5TH DISTRICT HANDICRAFT AND INDUSTRY

On the area of 5th district, there are 10 central firms, 48 civic firms, 11 urban-district firms, and 1,800 private concerns. Basically, industries and handicrafts of this district area have gained a favourable growth since transferring to the market mechanism. However, the situation of unstable growth, low productivity, poor quality, and weak effectiveness is still current in some fields. Unsettled questions are as follows:

1. With regard to ecological environment, business premises and housing are mixed in a narrow area with a dense population so the situation of environmental pollution was in excess of 60 to 70 times over permissible limit.

2. With regard to infrastructure, although the district has paid attention to upgrading and reforming infrastructure, a desirable effectiveness to socio-economic growth hasn't been realized yet; because partly investment is still small and partly the infrastructure itself is very obsolescent.

3. With regard to the public sector, there were arrangements, re-organizations and increasing investment to innovate the technology, but some concerns and products are less competitive.

4. With regard to private sector, although this was a most active sector in past few years, its growth is still

spontaneous.

II. ORIENTATION OF THE GROWTH OF INDUSTRY AND HANDICRAFT IN THE COMING YEARS

Basically, industry-handicraft and the economy of 5th District in general were freed from the crisis situation. So the economic, organizational, managerial measures must also be changed in such a way to fit with a new situation of growth. Thus, in order to exploit better capabilities and advantages, and to speed up the process of modernization and industrialization as well, industry and handicraft of 5th district must be directed by the following main lines:

1. Investigating totally capabilities of the district on all spheres: economy, capital, technique, technology, labour force, etc. Owing to that, one could build up an adequate and scientific plan of growth.

2. As to the public sector, the district must carry out a re-arrangement. Accordingly, an integration or disbandment is an action fitting with concerns who do less effective business. Side by side, the district must also concentrate on perfecting and raising the productivity of using instruments such as law, plan, finance, monetarism, etc., in order to manage business activities.

3. Concentrating preferentially on technological innovation in businesses making exports. Leaning on that, an increase of competitiveness on

foreign markets could be gained.

4. Combining with authoritative and professional bodies of the city government in order to gather information about home and foreign markets, technology, state lines and policies and help the investors select industry, goods item, investment scale, technology that bring in the most economic and technical effectiveness.

5. On the one hand, petitioning the city government and the state to transfer some polluting businesses out of the district area, Chợ Quán power plant, Vietnam Soap Firm... for example. On the other hand, preventing establishing polluting businesses near to the inhabited areas in order to reduce the heavy pollution as the things stand.

6. Concentrating capabilities on upgrading and renovating the infrastructure in order to stimulate the investment: carrying out the project of Nguyễn Tri Phương Bridge, dredging up Tàu Hũ Canal, widening the streets of Hàm Tử, Nguyễn Cư Trinh, An Dương Vương, Mạc Tử, Trần Tuấn Khải, etc, for example.

7. Reforming the administrative procedures; side by side, dressing and perfecting the governmental apparatus in a direction of neatness, and skill; strengthening the tasks of training and re-training the staff so as to enhance professional effectiveness and to respond well to the new growth request ♣