

MEASURES TO CHANGE THE STRUCTURE OF INDUSTRY IN THE MEKONG DELTA

by MEcon. TRẦN TUẤN ANH

Changing the structure of industry in the Mekong Delta means industrialization and modernization of agriculture. The Delta will remain poor and purely agricultural if no big investment is put in the development of the manufacturing and service sectors. In rural areas in particular, a series of problems must be solved simultaneously: new policies on investment and production, infrastructure development, training human resource, marketing campaigns, etc.

To accelerate the change in the structure of industry in the Delta, I suggest here some measures.

(1) Generating sources of capital

National and provincial budgets could be used for building infrastructure and paying price support. It's necessary to make reasonable investment in irrigation system, road network, power supply, education and health care, scientific research and technology transfer and mechanization of agricultural production.

(2) Developing markets

The demand for agricultural materials is diverse and changeable. Suppliers of these materials should enhance their ability to predict the market demand in order to work out suitable plans to produce and import necessary goods.

Necessary facilities, such as pumping stations, power supply stations, feed and fertilizer processing concerns, quarantine offices, etc., should be built in all districts and they could operate based on contracts exchanged with farmers. Financial support from local governments is useful when necessary.

Local authorities must enhance their ability to predict prospective changes in the market, and supply information about market demand for; taste and prices of farm products to peasants through mass media. In addition, they had better work out strategies to expand markets for local farm products because this effort is usually beyond reach of peasants.

(3) Developing rural manufacturing and service sectors

To assist the agricultural production directly, it's necessary to in-



crease the supply of new strains of crops and animals, fertilizers and chemicals used for protecting crops, and low-interest bank loans.

As for the development of the manufacturing sector, it's useful to develop handicrafts and light industries, especially ones that could be exported, at family and cooperative levels. For the time being, farm product processing concerns of small scale could be developed as satellites for larger ones in industrial parks and big cities.

The service sector could include trading, repairing of farm machines, information and advisory services.

The most important measure is to adopt policies to encourage the private sector to invest their time and money in this effort because local authorities could not engage directly in this process. Their main task is to develop the infrastructure based on grant-in-aid, foreign aid and contribution from local residents.

(4) Disseminating technical advances

Scientific and technical achievements suitable to rural areas introduced by Vietnamese researchers

must be applied broadly in suitable scopes and at suitable levels, and at the same time full attention must be paid to foreign achievements.

To achieve this aim, there must be a program to develop the human resource. For the time being, it's necessary to alter the mechanism for recruiting students for technical schools and faculties of agriculture in which scholarship and job opportunities are offered to excellent students. Besides full-time courses in universities and colleges, short-term and sandwich courses could be given at farms, cooperatives or agricultural extension offices in order to transfer practical techniques directly to peasants.

(5) Reorganizing the agricultural production

This effort aims at connecting production with distribution and human resource, rural areas with cities as sources of technical assistance in order to improve the product quality, and the public and private sectors in order to tap and allocate effectively all resources needed for rural development. ■