

1. Exploitation of mineral resources in South Vietnam

Generally, the exploitation of mineral resources in South Vietnam hasn't been controlled well, especially in Quảng Nam, Gia Lai, Kontum and Đồng Nai. Many individuals and organizations have exploited minerals illegally in these provinces since the 1980s violating the

In Tây Ninh, the exploitation of minerals is also unruly. Both state-run and private mining companies are doing their business at will and paying no attention to regulations. "In this province, over 100 brickyards, including many modern and large-size ones; publicly or privately run; are exploiting clay to make brick without permissions." (1) In 1997,

river. Many companies, both publicly- and privately-run, are exploiting granite from Bà Đen Mount which has been protected by a preservation order.

In Bà Rịa-Vũng Tàu, the local government has granted licenses to develop quarry to many limited and private companies with the result that there was no way to draw a

the local government.

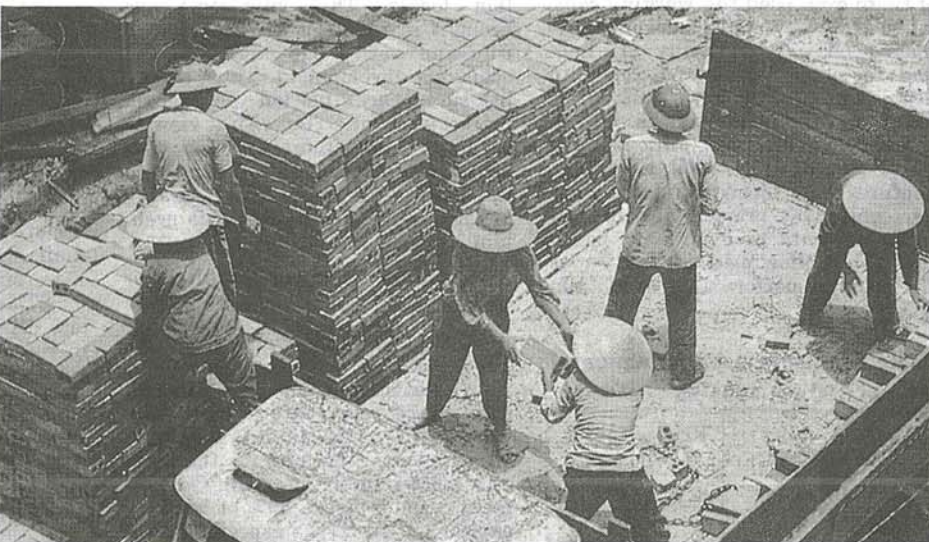
In HCMC, the situation is no better than in other provinces. In recent years, due to a boom in construction business, the demand for sand has been on the increase. From the fact that private traders are free to extract sand from all rivers, transport it through all waterways to storing fields at their convenience, we can deduce

MEASURES TO CONTROL EXPLOITATION OF MINERAL RESOURCES IN SOUTH VIETNAM

by NGUYỄN HOÀNG THỤY

Natural Resources Law and Labor Law, destroying the environment and producing bad effects on local economies. Illegal mining has also caused loss of life and the Government had to order provincial authorities, Home Ministry and National Defense Ministry (Instruction 881/1997/CT/TTg) to take strong measures to stop this rush. The PM himself has had to ask Quảng Nam People's Committee to discipline all VCP members and citizens who did or helped with gold mining in Quảng Nam and prosecute them if need be.

In Lâm Đồng, mineral resources found in jungles have encouraged illegal mining since the mid-1980s: gold in Trà Nang in upstream Da Quyen, tin in Đa Thiện and Thái Phiên valleys, etc. Clashes between miners for good mining sites and between traders competing to buy minerals has been so violent that the police and armed forces had to intervene.



Tây Ninh Service of Industry petitioned the People's Committee to withdraw license and fine the Company 48 belonging to the Building Corporation run by the Ministry of Agriculture and Rural Development. The Service also withdrew licenses from three companies extracting sand from Saigon

borderline between mines or to control their operation. For example, the Long Hương Quarry which was closed by an official order issued one year before is still exploited by private persons.

In Sông Bé, Quarries 621 and Đông Hoà are still in operation although their have been closed by

that the local government has failed to control this business. Extraction of sand has changed the flow of water and hindered traffic on waterways. It's a barge carrying sand that caused the Bình Diên Bridge to collapse last March and cost the Government some tens of billions.

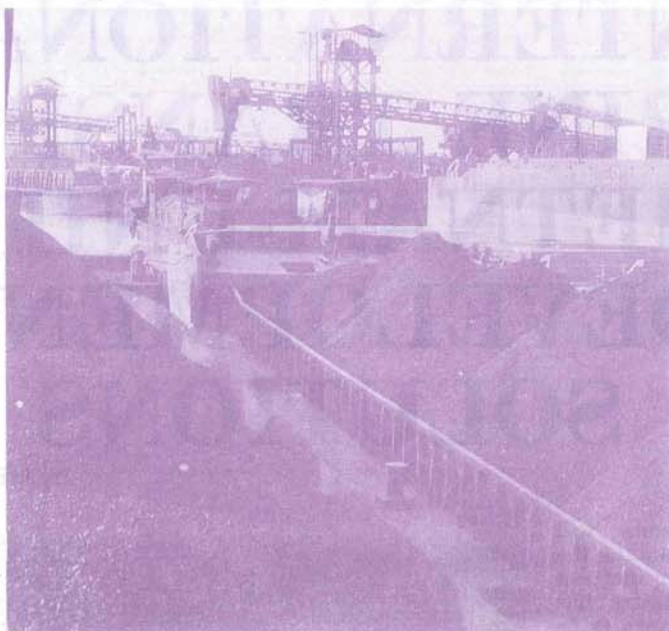
As for companies that have been licensed to extract sand from such rivers as Đồng Nai, Saigon, Nhà Bè and Vàm Cỏ Đông, their output always exceeds the quantity permitted. For example, licenses allowed the extraction of 1.2 million cubic meters a year from the Tân Uyên-Hoá An section of the river for a period of five years, but 1.3 million cubic meter were extracted in 1996. From the section of the river from Đồng Nai Bridge to Cái Lái, 3,451,108 cubic meters of sand were extracted in 1996 in comparison with the amount of 3 million cubic meter allowed by the license.

In short, the exploitation of minerals in South Vietnam has been out of control. Local governments have taken various measures to restore law and order, many licensed were withdrawn, many companies were fined but these measures made no difference to the situation. All improvements are temporary.

The problem seems unsolvable to local governments.

2. Main causes of the situation

Firstly, laborers have to make a living at any cost while they know nothing, and don't seem to care, about laws. Of some 40 million of people of working age, 71% are living in rural areas where the total area of farming land is only 7 million hectares and could provide jobs for some 17 million laborers. The unemployment rate in recent years was about 29% in the Hồng Delta and Central Vietnam (2). That is why they have to migrate to cities for work. To many of them, exploitation of minerals is a chance to make a living, and even a chance to make rich.



Secondly, in the first years of the economic reform when the law system hasn't been perfect and the law enforcement isn't strict, both state and private companies have tried to make as much profit as possible and the profit motive has lured them to violations of laws.

Thirdly, local authorities, or more exactly, Services of Industry at provincial or municipal level, have no ability to control the exploitation of minerals. The Natural Resources Departments under provincial Services of Industry were formed in 1993 and most of them are so understaffed that they couldn't cast an eye over all mines in the provinces, especially in mountainous districts. There is also a shortage of funds needed for their tasks of investigating, planning and supervising the exploitation of natural resources.

In addition, the better part of officials working in these departments lack necessary knowledge of mineral exploitation and environmental issues and there is no mining engineer in most of operational mines.

Fourthly, the Mineral

Resources Law hasn't communicated to authorities at provincial and district levels, so they didn't feel a sense of responsibility for the exploitation of minerals taking place in their localities. Some officials even take part or protect the illegal exploitation of minerals and cause difficulties to investigations.

Fifthly, when the illegal exploitation of minerals are discovered, the common measure taken by local authorities is to close the mine and impose a fine. In these case, local authorities usually fail to coordinate their efforts and never think of communicating regulations about mineral exploitation to local residents.

3. Measures to control the exploitation of minerals

a. Reorganizing and beefing up the machinery for managing natural resources:

+ Natural Resources Departments must be staffed by well-trained officials. Managing directors of mines should be mining engineers as required by Decision 1457/QĐ -BCKS made by the Minister of Industry. At present when well-trained officials are

still lacking, local governments had better send officials to make studies at universities.

+ Natural Resources Departments must be fully staffed so they can act as advisors to provincial Services of Industries and governments, and at the same time, complete the task of controlling the exploitation of minerals in their locality.

+ Funds needed for investigating, planning and supervising the exploitation of minerals should be supplied fully to Natural Resources Departments.

b. Long-range measures

+ Communicating knowledge of laws, especially the Mineral Resources Law, to local officials and residents in order to help them learn about their rights and duties when engaging in the exploitation of minerals.

+ The Ministry of Industry must determine what mines and areas are appropriate to mineral exploitation according to Article 66 of the Decree 68/CP and keep local governments informed about it. Local governments should grant licenses fairly and squarely to individuals and organizations qualified to exploit mineral resources. Priority could be given to local ones.

+ All violations of laws must be punished properly in order to turn the exploitation of mineral resources into a normal and lawful economic activity that can help to protect the environment and make the best use of idle labor and capital to develop local economies.

Note:

(1) *Công Nghiệp Việt Nam*, No 9/4, April 16, 1998.

(2) *Thời Báo Kinh Tế Việt Nam*, special issue 1997-98