

Vietnam is on the threshold of the 13th spring of the economic reform introduced and directed by the VCP and the Government. This spring seems more colorful because our country succeeded in overcoming great obstacles caused by natural disasters and the Asian economic crisis in 1998 and gaining many spectacular achievements. In 1998, the Vietnam's growth rate was 6%, one of the highest rates found in Asia, the inflation rate was under 10%, the food output increased over one million tonnes, rice export reached 3.7 million tonnes (exceeding the target planned for 2000), the manufacturing sector grew by 12% and export value was

US\$2.7 billion in 1999, compared with 2.4 billion in 1998. This is the international recognition of Vietnam's success in the economic reform in 1998 and a great encouragement whose value is more precious than the sum of money itself.

Besides achievements in socio-economic reform, Vietnam also succeeded in integrating into the world community. In 1998, Vietnam became an APEC member and played host to the Tiger Football Cup and the 6th ASEAN summit. The Vietnam's determination to integrate into the world community has been affirmed for years and has material-

high birth rate, big budget deficits, consequences of natural disasters, etc. And we know that all of these problems can't be solved overnight.

The new year promises both difficulties and opportunities: wars and confrontation are replaced by international cooperation (as affirmed by the 6th ASEAN summit and Hà Nội Declaration 1998), lessons from the Asian economic crisis and our experience in the past 12 years will help us avoid external bad effects and make the best use of our potentials to attract more foreign investment, there is a shift in emphasis in economic policy when fuller attention is paid to agriculture and rural areas,

OVERCOME OBSTACLES AND KEEP ON REFORMING THE ECONOMY

US\$9.3 billion, increasing by 56% in comparison with 1996. Although the growth rate in 1998 was low as compared with previous years, these achievements are encouraging and justified the economic reform policy adopted by the VCP.

The growth rate is high, the socio-political life is stable, the national defense is strengthened, the living standard is improved, the face of society in both rural areas and cities is changed, all of them enhance the Vietnam's position in the arena of the world. At the 6th meeting of advisors of Vietnam's donors in Paris in December 1998, leading experts from the UN and WB appreciated Vietnam's achievements in 1998 and asserted that Vietnam had overcome obstacles, Vietnam's achievements in socio-economic reform in the past 12 years are well known all over the world, and only a few countries gained such achievements as Vietnam did. The meeting came to a decision to provide Vietnam with

ized in all resolutions made by the VCP Central Committee of the 8th term. In general, Vietnam has decided to pay fuller attention to agriculture and rural development in the coming years, absorb foreign cultures and develop its own cultural traditions, integrate; but not let itself be assimilated; into the world, develop the market economy and keep to the socialist orientation, and struggle for high growth rates and at the same time, for social equality and better environment. It's the decision that helped Vietnam overcome obstacles and gain achievements in 1998.

Needless to say, we are well aware of our shortcomings and failures and their consequences that would affect our development in the coming years: shortage of capital and technology, poor international competitiveness narrowing market for exports, falls in prices of Vietnam's staple exports, low local spending power, poor labor productivity, high unemployment rate,

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the development-at-any-price attitude is replaced by the tendency towards sustainable development, combination of economic development and social progress has been considered as a must. We hope these factors will create new strength and position for Vietnam in the new year.

Although the targets set by the National Assembly are high and more demanding: a growth rate of 5 - 6%, an 10% increase in industrial output, an 4% increase in agricultural output, an increase of 5 - 7% in export value, one-digit inflation rate, food output of 32 million tonnes, etc., we still believe that new strength and position, right policies, good leadership and external help will enable us to achieve our targets.

The year 1999 will be a new period in which Vietnam should keep on overcoming obstacles and reforming its economy more actively for a wealthy and powerful nation and a civilized and equal society■