

Many policies to develop the agriculture, especially in the Mekong Delta, have been adopted by the Government. Of policies affecting this Delta, most of them relate to the agricultural economy and rural development. The following are important law documents relating to the Mekong Delta development:

- Directive 74/CP issued by the Chairman of the Council of Ministers on March 18, 1988 on the socioeconomic development plan for Đồng Tháp Mười Zone in the years 1988-90.

- Directive 202-CT issued by the Chairman of the Council of Ministers on June 28, 1991 on the supply of bank loans for agricultural development to individual peasants.

- Decree 64-CP dated Sep. 27, 1993 on the allocation of land for agricultural production to families and individuals on a long-term basis.

- Decision 99/TTg made by the PM on Feb. 9, 1996 on the long-term orientation and the 5-year plan to develop irrigation systems, communications and social affairs in the Mekong Delta (1996-2000).

- Decision 256/TTg dated April 26, 1996 on the supply of floor-raising loans for poor residents in floodplains in the Mekong Delta.

- Directive 979/TTg dated Dec. 18, 1996 on compensation for loss of land and crops because of expropriation for public purposes in the floodplains in the Mekong Delta in 1997.

- Decision 159/TTg made by the PM on March 14, 1997 on the building of much needed irrigation systems, communications and residential areas in floodplains in the Mekong Delta.

- Directive 515/TTg issued on Jan. 5, 1997 by the PM on the master plan for socioeconomic development in the Mekong Delta for the years 1998-2010.

- Resolution 06/NQ/TW made by the Politburo on Nov. 10, 1998 on some problems of the agricultural and rural development.

Main directions and targets set by these law documents for the Mekong Delta are as follows:

- + Increasing the per capita GDP by 150% by 2000 and by 350% by 2010 in comparison with 1994.

- + Changing the structure of industry in the direction of increasing the shares of manufacturing, construction and service sectors; and raising the share of animal hus-

bandry in the agricultural production from 20% at present to 37% in 2010.

- + Tapping potential for socioeconomic development in the Đồng Tháp Mười Zone, Long Xuyên trapezoid, the west of Hậu river, Cà Mau peninsula and surrounding zones in order to raise the rice output to 18 million tonnes by 2010.

- + Developing the sea farming and fishing businesses based on local advantages (long coastal line, wide fishing grounds and experienced fishermen) in order to increase the share of this Delta in the export of sea products to 50%; promoting deep-water fishing and sea farming in order to raise the fishery output to over one million tonnes by 2010.

- + Carrying out afforestation projects with a view to protecting the

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ecosystem and forming a defending barrier along the coastal line.

- + Building works for controlling floods in the Delta, developing residential areas free from flood and providing poor families with loans needed for building their houses on stilts or raising the floor of their houses.

- + Building the system of dikes for preventing sea water.

- + Spreading the road network to depressed and remote areas, border villages, islands and former resistance bases; and replacing bamboo bridges with concrete ones.

- + Promoting electrification in rural areas in order to serve the industrialization of agricultural production.

Targets set for the year 2000 by the Decision 01/1998/QĐ-TTg made on Jan. 5, 1998 are to achieve a growth rate of 5.46% for the agricultural output and 24.5% for the animal husbandry business; raise the fishery output to 730,000 tonnes and increase the share of the Delta in the national agricultural output to 38.8%.

1. After implementing these directions for five years, the agricultural production in the Mekong Delta increased remarkably, its structure and growth rate made good progress which is appropriate to the policy to industrialize and modernize rural areas.

The structure of industry in the Delta started to change: the share of agricultural output in the gross product fell from 61.7% in 1995 to 53.6% in 1999, slower than the rate provided for by the Decision 01/1998/QĐ-TTg. The food output rose from 9.6 million tonnes in 1990

to 16.3 million tonnes in 1999, representing some 50% of the national agricultural output; export of rice from 1.6 million tonnes in 1990 to 2.64 million tonnes in 1998; fishery output from 424,640 tonnes in 1990 to 912,610 tonnes in 1998; export earnings from fishery US\$131.4 million in 1991 to 486.5 million in 1999. These results came from the following facts:

- The program to reclaim land in Đồng Tháp Mười Zone, Long Xuyên trapezoid, the west of Hậu river and Cà Mau peninsula has helped increase the area of farming land in this Delta.

- Public investment in the irrigation system for years has improved the efficiency of land utilization and allowed peasants to grow more than one crop on their land.

- The Government took measures to encourage the use of new strains of rice with the result that the average yield of rice rose from 3.67 tonnes per hectare in 1990 to 4.06 tonnes in 1999.

- Various kinds of farm machinery were introduced: 80% of the work of preparing the soil has been mechanized; the number of fishing boats equipped with 45-HP and 90-HP engines (or bigger ones) is on the increase; many fishermen own two or three fishing boats equipped with 100-HP, or even 300-HP, engines and help develop the fishery industry.

- The purchasing price floor for rice set by the Government has produced good effects on the rice production.

- Reduction or cuts in export duties on rice and aquatic products,

availability of bank loans of various kinds (supplied to peasants who want to build houses on stilts or raise the floor of their houses, or to state companies that purchase rice from peasants, etc.) have changed the face of rural areas.

2. However, many policies aren't consistent with one another causing unfavorable effects on the agricultural production. The following are some examples:

- The policy to encourage land reclamation has led to forest destruction (in an effort to increase the area of farming land) with the result that the areas of tidewater control and water-regulating forests reduced quickly.

- Many new strains of rice and animal are introduced but there is no mechanism for controlling them, and as a result, 60% of the farming area produced rice of poor quality, the average yield of rice in the Delta increased slowly (1.1% a year in comparison with the national average of 2.5%), many shrimp farms suffered losses because of the spread of disease.

- Purchasing prices offered by the state companies for rice and other farm products are a great encouragement to peasants but the prices of farm products increased slower than the price index in general and prices of manufactured goods in particular. In purchasing farm products from peasants, private traders still play an important role. This situation isn't favorable for peasants because these traders tend to offer prices lower than the price floor.

- Taxes on transfer of land use right and on area of land beyond the land-owning limit produce only slight effects: the area of rice growing land is on the decrease while the number of landless peasants increase; budget income from these taxes doesn't increase because of widespread tax evasion.

- Most bank loans offered to peasants are of short terms and small sums. They meet only 50% of the demand and most of them are used for rice growing business. The interest rate ceiling is only favorable for rich farmers, not for poor ones who have nothing to mortgage to banks.

The above remarks are only a rough and initial estimate of the policies on the agricultural production in the Mekong Delta. The work of estimating government policies on agriculture requires a lot of time and energy. I am looking forward to receiving opinions from readers and researchers. ■

