Asia

# Moscow's satellites face food crisis

by Linda de Hoyos

Food shortages in the countries of Indochina—Vietnam, Cambodia, and Laos—could soon reach crisis proportions, reports from these nations' press agencies indicate. In contrast to Southeast Asia's success stories—Thailand, Indonesia, and Malaysia—and to the "four Asian tigers"—Singapore, Taiwan, Hong Kong, and South Korea, the Indochinese economies have stagnated to the point of a breakdown crisis in the near-term.

The crisis warning was sounded in a Dec. 31, 1987, report by Vietnamese Vice Premier Vo Van Kiet to the National Assembly. Chairman of the State Planning Commission, Kiet told Vietnam's leaders that the production of rice—Vietnam's key staple—had stagnated for three years at 18 million tons, while population had continued to increase at 2% per year minimum, or 1 million people per year. Per capita food production in Vietnam has decreased by 8% in the last three years. "Employment pressure is rising," said Kiet, "which causes social instability." Only 40% of the 1 million young people entering the job market find employment.

In 1984, according to diplomatic sources, Vietnam was food self-sufficient. Vietnam imported broken rice to feed its own population, but exported a greater amount of rice. In the past three years, these gains in food self-sufficiency have been lost. In his December speech, Kiet blamed food shortages on natural disasters—including two years of drought—but more importantly noted that the decline in agricultural production by 2% in 1987 was caused by a lack of planning, investment, and basic input into agriculture. Lack of fertilizer, irrigation, and mechanization has made Vietnam's agriculture totally vulnerable to drought, and pest infestation.

The food shortage is already so acute in Vietnam, that Indonesia announced at the end of last year that it was sending 40,000 tons of rice to Vietnam as food aid. Indonesia—once the world's biggest rice importer which has now achieved food self-suffiency—has also sent agricultural advisers to Vietnam.

In Cambodia, the food shortage could reach famine proportions. The Cambodian economy has not even begun to recover from the Cambodian war of 1970-75 and the following four years of genocide by the Khmer Rouge. Life expectancy remains at a low of 46 years in Cambodia. Surveys show that 20% of children up to five years suffer malnutrition severe enough to retard their growth, and that 4.7% of Cambodia's children suffer from severe malnutrition, bordering on starvation.

In the last two years, Cambodia has been hit with severe drought, with no irrigation infrastructure to weather it. In the fall of 1987, for example, the province of Kompong Seu, 50 kilometers to the west of Phnom Penh, managed to grow only 2,040 hectares of rice—or 2% of that planned for the year's rainy season. Even of that paltry amount, another 526 hectares of young plants and over 240 hectares of rice had died, according to Phnom Penh.

Laos also has been hit by drought and a food crisis. Towards the end of 1987, Hmong hill tribes and others migrated into Thailand from Laos, a move relief workers believed had been caused by drought in Hmong areas. This year so far, Laos is already 200,000 tons short of rice and has asked relief agencies to supply half the shortfall in order to avoid severe malnutrition. The average rice yield this year reached only 79.8% of the target, due to drought. In Luang Prabang province, for example, the rice produced will last only six months.

A food crisis in Laos, however, is not "natural" at all. During the same crisis period, Laos has emerged as a major supplier of opium and marijuana for the Western and Asian market. While the government of Prime Minister Kaysone has managed to procure fertilizer and seeds from Thailand (reportedly supplied by American syndicate operatives) to grow drugs, food production has decreased.

The vulnerabilities of the Indochina economies to droughts and pests stem from Vietnam et al.'s isolation from the world economy since 1975, and the even harsher constrictions placed on trade since the Vietnamese invasion of Cambodia in 1979. Vietnam has been forced to rely on Soviet aid, which even to the tune of $1 billion a year has not been sufficient for investment toward industrialization. In January of last year, Vietnamese leaders publicly vowed not to "squander" Soviet aid. Western sources in Thailand believe that Soviet money is tightly controlled from Moscow, with most monies going to military purposes.

In the meantime, Vietnam has taken desperate measures in an effort to attract Western funds into the country. In September, Vietnam went hat in hand to the International Monetary Fund, an agency Vietnamese leaders would likely view as "imperialist," for $600 million in loans under the IMF's Structural Adjustment Fund. The Vietnamese had previously been ruled ineligible for IMF loans, due to its failure to pay on $28 million in previous loans, but Hanoi vowed to correct "this technical difficulty." The following month, in a show of good faith, Vietnam devalued its currency, the riel, by 70%. In December, Vietnam's legislature announced new arrangements to attract foreign investors, including measures for 99% foreign owner equity in joint ventures and guaranteed full repatriation of all profits on such ventures.