

SECRET

21 JUN 86

CIA

TO: DIRNSA, DEPT OF STATE, DIA, TREASURY DEPT,  
DEPT OF COMMERCE, USTR,  
WHITE HOUSE SITUATION ROOM, NATIONAL SECURITY COUNCIL STAFF,  
ZEN/CIA OFFICE OF CURRENT OPERATIONS.  
EZ1:

EZ2:  
PASS: NSA FOR ZKZK 00 DLS DE (FOR NSOC); STATE FOR INR.

CENTRAL INTELLIGENCE AGENCY

WARNING: INFORMATION REPORT. NOT FINALLY EVALUATED INTELLIGENCE.

DIS1: 21 JUNE 1986  
COUNTRY: VIETNAM  
SUBJ: COMMENTS OF A VIETNAMESE DIPLOMAT ON CURRENT ECONOMIC  
SITUATION  
DOI: EARLY JUNE 1986

TEXT: 1.

THE SRV HAS EVERYTHING IT NEEDS IN TERMS OF BASIC CONSUMER  
GOODS, BUT NOT IN ABUNDANCE OR GREAT VARIETY. UNTIL LATE 1985 STAPLE COMMODITIES SUCH AS RICE, SUGAR, AND  
COOKING OIL WERE RATIONED. THE LIVING STANDARD  
OF THE VIETNAMESE PEOPLE IS STILL VERY LOW,

THE ANNUAL INCOME OF THE VIETNAMESE IS ONLY ABOUT  
ONE-FIFTIETH OF THAT OF THE AMERICAN PEOPLE. THE  
COUNTRY HAS TO IMPORT MANY THINGS FROM ABROAD, AND IS SHORT OF  
HARD CURRENCY. COUNTRY IS SELF-SUFFICIENT IN RICE  
AND FOODSTUFFS, BUT HAS TO IMPORT SUGAR FROM CUBA. IT ALSO

IMPORTS CLOTHING, SHOES, AND ELECTRICAL APPLIANCES FROM SOUTH KOREA, AND EXPORTS SHRIMP AND OTHER MARINE PRODUCTS TO SOUTH KOREA. THE LIVING STANDARD OF OFFICIALS,  
"PARTICULARLY DIPLOMATS ASSIGNED OVERSEAS," IS MUCH HIGHER THAN  
THAT OF THE COMMON PEOPLE IN THE SRV.

2. THE  
FOREIGN INVESTMENT CODE WILL BE PASSED BY HIS GOVERNMENT BY THE  
END OF 1986. AFTER THE ADOPTION OF THIS  
CODE, FOREIGN INVESTMENTS WILL BEGIN TO FLOW INTO THE SRV FROM  
WESTERN COUNTRIES, INCLUDING JAPAN, BUT NOT FROM THE U.S.  
BECAUSE OF THE U.S. EMBARGO. THAT MANY U.S. FIRMS  
ARE WAITING FOR THE EMBARGO TO BE LIFTED. THE  
U.S. EMBARGO WILL NOT BE LIFTED UNDER THE CURRENT U.S. ADMINISTRATION.

3. [REDACTED] THE SRV NEEDS TO IMPORT HIGH TECHNOLOGY FROM THE WEST, PARTICULARLY FROM THE U.S. [REDACTED] THE SRV WILL FOLLOW THE EXAMPLE OF CHINA IN ADOPTING ECONOMIC REFORM MEASURES AND INTRODUCING WESTERN TECHNOLOGY INTO THE COUNTRY. [REDACTED] THE PARTY CONGRESS WILL BE CONVENED TOWARDS THE END OF 1986, AND THAT "BIG CHANGES IN PARTY LEADERSHIP" WILL TAKE PLACE THEN. AFTER THE PARTY CONGRESS, [REDACTED] STATED, "THE ECONOMIC SITUATION WILL TURN FOR THE BETTER."

4. DISCUSSING PETROLEUM, [REDACTED] THE SRV NOW HAS TO IMPORT OIL FROM THE USSR. [REDACTED] HOWEVER, THAT "WITH ASSISTANCE FROM THE USSR, CZECHOSLOVAKIA, AND BELGIUM, WE WILL BEGIN PRODUCING OIL BY OURSELVES IN 1987, AND EVEN EXPORTING OIL BY 1990." [REDACTED] MANY U.S. OIL COMPANIES WANT TO PARTICIPATE IN OIL PRODUCTION IN THE SRV, BUT THEY HAVE TO WAIT FOR THE LIFTING OF THE EMBARGO BY THE U.S. GOVERNMENT.

5. [REDACTED] THERE ARE NO AMERICAN POW/MIA'S IN THE SRV, BUT "ONLY TOURISTS." [REDACTED] AWARE OF TWO "TOURIST" GROUPS OF AMERICANS THAT VISITED THE SRV, ONE IN DECEMBER 1985 AND ONE IN LATE MAY 1986, AND ADDED THAT ANOTHER SUCH GROUP IS SCHEDULED TO DEPART BEFORE THE END OF JUNE THIS YEAR. EACH GROUP CONSISTED OF 15 TO 20 PEOPLE. [REDACTED] A RECENT NETWORK TELEVISION PROGRAM HAD DECEIVED THE AMERICAN PEOPLE INTO BELIEVING THERE ARE STILL POW/MIA'S IN THE SRV WHEN THERE ARE NONE.

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]