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TRANSLATIONS FROM HOC TAP (STUDIES)
No. 5, 1966
- North Vietnam -
(Articles by Pham Hung on Commerical Tasks)

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TRANSLATIONS FROM HOC TAP (STUDIES)

No. 5, 1966

- North Vietnam -

STRENGTHEN DIRECTION OF GOODS CIRCULATION AND DISTRIBUTION
TO SERVE AND STIMULATE STRONG DEVELOPMENT OF PRODUCTION
AND TO SERVE COMBAT AND PEOPLE'S LIVELIHOOD MORE
SATISFACTORILY

[Following is a translation of an article by Pham Hung in
the Vietnamese-language periodical Hoc Tap (Studies), Hanoi,
No. 5, May 1966, pages 10-29.]

The year 1965 was the year when war spread to our entire country. We had to satisfy many new and great requirements of the war and of economic building and development and improve the people's living conditions as well as their health, so that they could produce and fight for a long time. Our main difficulties last year were the acceleration of the requirements in all fields and a further concentration in a number of areas, while production development could not catch up with these requirements. Moreover, due to the enemy's intensification of his war of destruction aimed mainly at destroying our means of communication and transportation. We encountered difficulties in receiving foreign aid goods and transporting locally made goods to satisfy the requirements in time.

This situation was reflected very clearly by the activities of the financial-commercial branch. It required that this branch undergo strong changes in ideological consciousness and have appropriate policies, systems, organization, and work methods, so that even with limited capacity, it could satisfy the requirements of production, combat, and people's life and, at the same time, increase its reserve in order to cope with any circumstance.

Last year, while struggling to satisfy these great requirements, the financial and commercial task, faced with many new and complex problems, was

confused and, at certain moments and in certain areas, inert. However, last year's glorious victories by the north in production and combat marked many important achievements of the financial-commercial and price branches in serving and stimulating production, serving combat, and serving the people's livelihood. These achievements made positive contributions to the successful fulfillment of the revolutionary tasks in both zones during the present arduous and fierce phase.

Looking back at the 1965 situation, we are very enthusiastic, because despite the anti-U.S. war, the economy of the north of our country continued to progress firmly. Agriculture scored an all-out success during the winter-spring crop production. Although 10th-month crop encountered difficulties caused by natural calamities and the enemy, the value of total production for the entire year surpassed that of 1964. Industrial production in general continued to develop. Communication and transport, though under heavily concentrated attacks of the enemy, was restored and developed gradually. Battlefield requirements were satisfied relatively satisfactorily. The finance and currency were stable. The reserve in means of production and goods increased fairly quickly. At certain moments and in certain areas, the people encountered difficulties in earning their living, but generally speaking, their livelihood was stable. Prices and markets did not suffer major upsets.

We are fired with enthusiasm and pride, because even on the frontline, such as the provinces of the former Fourth Interzone where there were many difficulties caused by continued attacks of the enemy, the armed forces and people fought heroically and registered many glorious performances. Production in all fields developed. Abundant crops were harvested. Other activities were stabilized and adapted to war conditions; the people's livelihood was assured.

This situation proves the superiority of the socialist system and economy in the north of our country in peace as well as in war. The branches engaged in circulation and distribution tasks made positive contributions to this common success. It is necessary to assess these good points and success accurately. At the same time, we must clearly realize all the difficulties, not be subjective and conceited, clearly realize weak points and correctly criticize erroneous views and standpoints in order to surmount the difficulties and cause the circulation and distribution tasks to undergo stronger changes.

One year is a short period. But under the pressure of war conditions, we grew up quickly and began learning many precious lessons. We must pay high regard to these lessons. Let us develop the spirit of independence and autonomy and closely follow the realities of our tasks in order to adopt a theory for our circulation and distribution tasks in war as well as in peace.

Last year's experiences of the financial-commercial branch not only confirm that our party line and policies are correct, but also cast more

light on and enrich the basic views and major principles set forth in the resolution of the 10th Party Central Committee conference and the Secretariat's instruction on the change in direction of the financial-commercial task in the new situation.

This year, the revolutionary situation in both zones is advancing to a new level. Our people's patriotic war against the U. S. imperialist aggressors is becoming increasingly arduous and fierce. Faced with the requirements of the new situation and tasks, in directing the circulation and distribution task all branches and echelons must, on one hand, thoroughly understand the spirit of the resolution of the 12th party Central Committee conference and the content of the 1966-1967 state plan. On the other hand, they must understand more thoroughly the spirit and content of the resolution of the 10th party Central Committee conference and instruction No. 100 of the Secretariat on the change in direction of the financial-commercial task in the new situation.

On this basis, they must apply in a correct and creative manner the party line, policies, and basic views set forth in these resolutions and instruction with regard to the activities of their branches and localities in order to insure fulfillment of the major tasks and duties which the party Central Committee and the government have set forth.

1. To keep a firm hold on the basic spirit of the party Central Committee's resolution on the new situation and tasks on the main content of the 1966-1967 state plan.

Faced with repeated great victories of our armed forces and people in both zones, the U. S. imperialists have basically failed in their "special war" strategy and fallen into a state of military inertia and political isolation in Vietnam as well as in the world, including the United States. But they still refuse to give up their aggressive design. On one hand, they are actively pouring hundreds of thousands of U.S. and satellite troops as well as billions of dollars and means of war into South Vietnam to intensify their war of aggression and help the puppet troops and government, which are disintegrating, thus hoping to reverse the situation and recapture the initiative on the battlefield. At the same time, they have been actively enlarging their fierce war of destruction in the north, threatening central and southern Laos, and provoking and intimidating the Cambodian Kingdom, thus plotting to extend the war to all of Indochina. On the other hand, they have launched a political offensive through the deceitful arguments of "peace negotiations" and "social reforms."

The party Central Committee has deeply studied the U. S. imperialists' new plots and war plans and analyzed in an objective and scientific way the balance between our forces and the enemy's in all fields as well as the basic factors deciding the final success of our people in the anti-U.S. national salvation war. Basing itself on these observations and, at the same time, on the real facts occurring on various battlefields, especially since the massive introduction of U.S. troops into South Vietnam and intensification

of air attacks against North Vietnam, the party Central Committee has asserted that "The liberation armed forces and people in the heroic south are fully able to exterminate the crack units of the U.S. expeditionary corps, continue to develop their initiative position, step up the attacks on all battlefields, and achieve ever greater victories. The people's war of the heroic Vietnamese nation will surely defeat the neocolonialist war of aggression of the U. S. imperialists."

For the sake of the supreme interests of our nation, we are determined to mobilize the largest force of our entire country, step up our great patriotic war, and defeat the U.S. imperialists' war of aggression in any circumstance in order to protect the north, liberate the south, and advance toward national unification.

The above mentioned high determination of the party Central Committee faithfully reflects the eager aspirations of our entire party and all our people and is based on the great capacity and invincible power of the people's war. In the huge revolutionary enterprise of our people, South Vietnam, the fatherland's brass bastion and large frontline of the entire country, has endured many sacrifices and hardship and has fought and is fighting heroically and is scoring glorious victories. More than ever, the north must move forward with unusual revolutionary ardor and fulfill the duty of a large rear toward the large frontline in the anti-U. S. national salvation of our people. The northern people must now endeavor to produce and fight at the same time, to defeat the enemy's war of destruction, to make the socialist north steady and strong in the economic and national defense fields, devotedly to support the southern compatriots in their struggle against U. S. imperialism, and to be prepared to fight and triumph over it in any circumstances.

The people in the north at this time must work selflessly, fight bravely, be ready to make sacrifice and bear hardship, and contribute their efforts and wealth, so as to defeat the U.S. aggressors in both zones. The devotion to the south and to the liberation of the nation and the reunification of the fatherland must be practiced daily by the entire populace of the north so that it may be transformed into a moving force which will urge everybody, every unit, and every branch to devote all of one's mind and strength to the realization of the slogan "all are for the frontline and all are for the defeat of the U. S. aggressors."

In any war, the rear is always a criterion which is usually decisive upon its success. Without a strong and stable rear, it is impossible to defeat the enemy at the frontline. A strong rear is one which has a powerful economic and military potential and which has an abundant source of manpower and wealth for the frontline.

The north serves as a great rear for the entire country. In the meantime, it is taking a direct part in the vanquishing of the enemy's destructive war. The people in the north must satisfactorily accomplish both tasks of production and combat. These two tasks are closely interrelated. Only when we are well prepared for combat and ready to fight well can we

hope to protect the production; only when the production is abundant can we hope to satisfy the demands of the fighting. We must exert our all-out efforts to fight the enemy and produce. Whoever fights the enemy must fight him, and whoever produces must produce. Wherever and whenever the enemy comes, fight him; wherever and whenever the enemy has not come yet, concentrate our efforts in accelerating production while readying ourselves to fight. The permanent duty of the people in the north is production, since to produce is to satisfy the demands of the war for the entire country, to replenish the people's strength, to insure that the U. S. aggressors will be defeated, and at the same time to prosecute the construction of material and technological foundation for socialism, thereby conditioning for the permanent development of the economy when the war ends.

The Two-Year State Plan (1966-1967) has been prepared on this basis. The objective of this plan is the building of the north into a strong and stable rear so that it may effectively serve the determination to defeat the U. S. aggressors of our entire party and people at the present. This is not an ordinary plan for the development of the economy and the culture, but it is a plan for the struggle against Americanism for national salvation and for the pursuance of socialist construction in order to meet the following three fundamental requirements:

a. Strive to mobilize all forces, develop every potential ability, and satisfy the war's requirements so as to defeat the U. S. aggressors under any circumstances.

In order to satisfy the war's requirements, it is necessary to have a strong economy. Our dictum is to rely principally on our own strength while trying to obtain and employ well assistance from brotherly socialist states. The most fundamental matter is the mobilization of every force available in the country to protect and develop production. Under any circumstances, it is necessary to maintain and develop agricultural production so that it will insure sufficient food and foodstuff for the army and people, raw materials for industries, and commodities for export; to protect and develop industries by utilizing to the fullest degree production capacities of existing firms, particular attention must be focused on the acceleration of the building of local industries and, as conditions permit, on the building of central level industries if needed; to protect and strengthen the force of and network of communications and transportation routes, and be determined to insure communications and transportation primarily on important lines; and to satisfy requirements for the strengthening of the forces of national defense in all fields.

Since our economy is still poor, both production and combat require a great force of manpower and a great amount of wealth. Therefore, the intensification of the political indoctrination of the people in order to develop to a high degree the people's love for the country and to advocate the self-sufficiency's spirit and the sense of responsibility of each citizen regarding the production and combat is our present, pressing political task. Only on this basis do we have the condition to raise the mobilization quota and, at the same time, to manage closely the distribution, employ rationally manpower

and wealth, effect full economization and fight actively against waste and corruption. In the meantime, an effort must be exerted to increase the state and cooperatives' reserves so that we may be ready to meet unusual circumstances and satisfy all unexpected demands.

b. Satisfy essential needs for our livelihood, and replenish the people's strength so that they may produce and fight for a long time.

In a war against the leading imperialists, our people must strive to produce and fight, and must reserve a great force to satisfy the requirements of the frontline, so much so that the people's livelihood cannot avoid difficulties. On the one hand, we must so educate the people that they will be ready to bear the hardships, make sacrifices, live a simple life, and observe economy measures. On the other hand, on the basis of intensifying production we must organize and manage well the distribution, try to look after and replenish the people's strength, satisfy their essential needs for diet and clothing, protect their health and study and, at the same time, increase social benefits.

c. Produce while fighting and make our economy grow larger and stronger.

In the war, the enemy causes us definite losses of lives and property and also causes us considerable difficulties in our economic construction and development. We must strive to annihilate him to protect our forces. It is necessary to rely on the basis of three-pronged revolution; revolution in technology, in production relationship, and in ideology and culture, wherein the technological revolution occupies a key position, to build a material and technological foundation for socialism. This is the basic prerequisite for a quick increase of labor output and for the development of production. On this basis, we must persistently attend to the consolidation and perfection of the new production relationship and to the accomplishment of our social reforms so that our economy may grow ever larger and stronger and may be strong enough to support the war.

Due to the peculiarities of our economy and politics, and due to the growth and strength of the socialist bloc, the shift in the building of the north's economy at this time does not mean that most of the economy, especially the production of heavy industry, will be shifted from its function of serving production and livelihood in peace to the primary production of war means. This shift is in fact the continuation of the expansion, construction, and development of production, wherein the construction and development of the local economy, which includes agriculture, industry, communications and transportation, and the local market, occupy the key position, we must particularly attend to the construction and development of the economy in the former Fourth Interregion's provinces in order to promote their position and ability in the present struggle. In the delta and middle region of Bac Bo, where manpower and wealth are concentrated, it is necessary to protect and accelerate the development of production, and to intensify the technological revolution in order to meet effectively the general requirements arising from the strengthening of the economic and defense potential of the entire north.

In the mountainous region, it is necessary to consolidate the base areas. Meanwhile, an all-out effort must be exerted to help the mountainous region make faster progress in order to catch up with the lowlands and to enable our ethnic minority groups to have favorable conditions for vigorous development in all aspects. To accelerate the development of the local economy along the aforementioned line is to exploit well the potential capacity of the locality, to make the local economy richer and more prosperous, to provide a material basis for the on-the-spot solution of logistical problems, which are suitable to the demands and conditions of wartime and, in the meantime, suitable to the long-lasting demands of socialist industrialization.

While focusing our effort on the development of the local economy, we ought to strengthen and promote the economy managed by the central level, to insure communications and transportation on important lines, to improve the production capacity of modern industries, particularly those of the mechanical and electrical branches, to maintain and develop the circulation of commodities among various regions, and to consolidate and expand the socialist market throughout the north. To accomplish these tasks is to promote the active role of the economy managed by the central level with regard to the development of local economy, to make sure that the means of production, commodities, and finance are concentrated for rational distribution, and to satisfy the overall requirements of production and combat.

In conjunction with the fulfillment of the present economic tasks, it is necessary to attach special attention to the preparation of long-term projects such as surveying, research, and planning, to prosecute the preparation of long-term plans, and to train technical cadres and workers on a large scale in order to prepare for socialist industrialization when peace is restored, and to apply the resolution of the 10th conference of the party Central Committee and Instruction No. 100 of the party Central Committee's Secretariat in the new situation.

The task of circulation and distribution is a general one. Its function is complex. Its effect bears on all activities connected with the livelihood, production, and combat of the entire society. It is closely related to many great policies of the party and is bound to make contributions to the building of relations and the solution of contradictions in the people's economy, especially in the case where we have to fight against the enemy while pursuing socialist construction. The problem which is posed to us is that, with regard to commercial finance and prices, we have to find out what contradictions are arising in the people's economy and in what aspects they are appearing and how we must solve these contradictions and what prospects we have to build their relations in accordance with the general line of the party and with the progress of the revolution. This is the problem that requires a great deal of thought and research from cadres in order to understand and handle the party's basic concepts creatively.

The great contradiction of our people's economy at the present is that while the requirements of all fields are very great and are increasing quickly,

supplies are limited. Can we solve this contradiction? Yes, because we have the party's leadership, the proletarian dictatorship state, which firmly controls key industrial branches, the socialist production relationship, which is ever more strengthened and perfected, and a revolutionary people who are highly conscious of the revolution and who have creative minds and industrious virtues. We are fully capable of initiating a planned and balanced economic development and of mobilizing every force available to exploit the potential capacities of the country. In the meantime, we must acquire and use well the assistance from the brotherly socialist states, must introduce new techniques into various branches of the people's economy, and must step up the production and development at a higher speed. In addition, we are capable of regularizing spending, of effecting economization, and of managing distribution closely and rationally, with emphasis placed on the most pressing demands of production, combat, and everyday needs. This is the duty of our entire party and people, of the organs responsible for planning and prosecuting the plans, and of the production branches, as well as of those engaged in the tasks of circulation and distribution. Each branch should take its proper position, carry out its proper function and make its contribution to the correct establishment of relations in the people's economy in order to solve satisfactorily the aforementioned contradictions.

It is necessary to clarify the relationship between economy and defense, between production and combat, and between the fight to vanquish the enemy and the prosecution of socialist construction. The resolution of the party Central Committee's 10th Conference has mentioned the relationship between economy and defense and has set forth the line for the solution of this relationship. The situation at that time, however, did not permit a deep and comprehensive insight into this problem. In the present circumstances, this relationship becomes very important, for it controls every field of activity of the north.

As pointed out by the party Central Committee's resolutions about the new situation and tasks, the north must firmly handle the two tasks of production and combat, must strengthen the national defense on the basis of a quickly expanding economy, and must insure that we will defeat the enemy throughout the country while carrying on socialist construction in the north. The political task, which is at the same time the immediate, pressing demand of our people, is to fight the Americans for national salvation, to mobilize every force available, and to focus our efforts on the fight to vanquish the U. S. aggressors, defend the north, liberate the south, and advance toward the reunification of the fatherland. However, the material, basic condition for the realization of this objective, which is simultaneously the continuing, permanent political task, is to exert efforts to step up production and continue socialist construction.

Production and combat are the two aspects of the struggle against Americanism for national salvation. Therefore, we cannot consider any aspect lightly. The policy which advocates close association of economy

and defense must be thoroughly understood by the entire army and all the people, by all economic and financial branches as well as by all of the people's armed forces.

In the task of circulation and distribution it is necessary to understand and handle correctly the principles of high concentration and high self-sufficiency, to carry on the building of the material and technological foundation of socialism that has been set forth by Instruction No. 100 of the party Central Committee, and to direct all activities of the financial, commercial, and price branches toward good service rendered to production and combat. We must do everything we can, to insure that priority is given to the distribution of capital, capital equipment, and commodities to meet the demands of combat and combat preparedness in several aspects; namely, the demands resulting from the building of the army, the strengthening of defense forces, and the development of important and vital communications lines; the demands resulting from the increase of stockpiles of capital equipment and commodities to insure the fighting under all circumstances, and so forth. To do this, however, it is necessary to strive to serve and accelerate the development of the production of the country and to accelerate the technological revolution in key economic branches by using economic, financial, commercial, and price levers to produce strong effects on production while promoting foreign trade.

In order to serve the national defense well, we must rouse the people's spirit of anti-Americanism for national salvation, uphold the sense of duty, and effect a high mobilization of manpower and wealth so that we must meet in time the great and pressing demands of the fighting. It is not absolutely necessary to wait until the state appropriates its money for each job that we will do it. We believe that our people are a revolution-conscious people who are ready to do everything, to exert their all-out efforts toward the defeat of the U. S. aggressors.

But in the production field, along with the intensification of the political education to improve the people's love for the country, the sense of collective masterhood, the sense of self-sufficiency, and to motivate everyone to exert his best efforts in accelerating production and economization, great care must be given to the application of the principle of giving material benefits to encourage those who engage in production to be more concerned about the results of their labor, improve their labor output, economize raw materials, and lower the costs of their products. It is necessary to apply the aforementioned principle in a rational wage and salary system, in the policy of giving material awards and the system of corporate funds, in the fixing of prices, in the fixing of rational quotas for foods, in the sale of goods at a profitable rate, in the supply of foodstuffs to the cooperatives engaged in centralized cultivation of industrial plants or specializing in cultivating vegetables according to plans, selling their products to the state, and in reserving thirty (30) percent of meat for the producers, and so forth.

To settle satisfactorily the relationship between industry and agriculture and the problem of social labor distribution and expanding the home market.

Industry and agriculture are the two branches which produce the basic materials of society. The relationship between industry and agriculture is a basic problem in the socialist economy. The resolution of the 10th conference of the party Central Committee has clearly pointed out that "to strengthen further the relationship between industry and agriculture, thus making industry and agriculture develop harmoniously and step by step in conformity to the requirements of industrialization and the development of the people's economy, it is necessary to understand more thoroughly the policy of 'giving priority to the rational development of heavy industry, and, at the same time, striving to develop agriculture and light industry,' and the trend according to which 'industry, primarily heavy industry, plays the leading role, and agriculture is the base for industrial development.'

"Giving priority to the rational development of heavy industry in the present period means that it is necessary to create new material and technical bases aimed, on the one hand, at serving agriculture and light industry and directly meeting the people's increasing vital needs in their daily life, and, on the other hand, improving the capability of heavy industry itself and rendering it increasingly capable of providing new equipment for the people's economy. These two aspects must be closely linked. Industry must actively serve agriculture by maintaining close contact with agriculture in order to identify agriculture's demands, and must actively develop the chemical and fertilizer industry, electrical power, raw materials, construction materials, and agricultural machinery in order to maintain the initiative in supplying an increasing amount of production materials to agriculture.

"Simultaneously with giving priority to the rational development of heavy industry, it is necessary to strive to develop light industry and agriculture, with a view to concentrating efforts on meeting the people's daily needs for food, housing, clothing, and other necessities. On the other hand, the state pays close attention to strengthening the exchange of goods between industry and agriculture, and thereby stimulating agriculture to develop comprehensively, strongly, and firmly, raising the labor output and the value of agricultural products, further increasing the volume of agricultural products, raising the purchasing power of the agricultural cooperatives and the peasants, expanding the rural market, and making agriculture become a favorable base for industrial development. The state must increase its financial and technical assistance, with a view to stepping up the building of the material and technical base in agriculture. This is a decisive matter with regard to agricultural development, the firm consolidation of cooperatives in order to lead the rural areas toward socialism."

Our party's above viewpoint with regard to the settlement of the relationship between industry and agriculture is not only appropriate to the peace situation, but still fully maintains its practical value even in a country at war. While applying this viewpoint to serving the reorientation

in economic construction in wartime, and serving and stimulating the development of production, the branches which are engaged in the circulation and distribution work should firmly grasp the following basic points:

1. In the war, we continue to carry out socialist industrialization on an appropriate scale and in appropriate steps. Due to the war situation, we advocate the concentration of force on the development of agriculture, local industry and communications and transportation, at the same time continuing to build central industry to the necessary degree. This does not mean that we do not give priority to the development of heavy industry. Although we do temporarily stop building a number of large factories, we still advocate continuing to build the material and technical base of socialism, and still regard the acceleration of the technical revolution as the key task. To achieve this, it is necessary to base ourselves upon giving priority to the development of heavy industry to turn out an increasing quantity of production materials. We strive to protect and fully use the production capability of the existing establishments of heavy industry, and at the same time, continue to build an additional number of necessary new establishments, especially mechanical and power installations, with a view to actively serving the national defense requirements, the development of the communications and transportation force, and the provision of technical equipment for agriculture and local industry. In local industry, we also advocate reserving appropriate assets for the production of an increasing quantity of agricultural production materials; fertilizers, insecticide, agricultural machinery, improved and common agricultural implements, transportation means, and construction materials to provide new technical equipment for agriculture. Naturally, to increase the technical equipment for the people's economy, we can partly rely on the source of imported equipment, machinery, and raw materials. But the firmest base and conditions enabling us to take the initiative in this problem; especially that of supplying agriculture, local industry, and people's communications and transport, continue to be the strong development of the domestic industry producing means of production.

2. While serving economic building and development in wartime, we must thoroughly achieve a close relationship between the satisfactory settlement of relations between industry and agriculture and the application of the new assignment of manpower in the society. In peacetime, to achieve socialist industrialization, the problem of rationally assigning the society's manpower is of very great significance. Now this problem is extremely important because when a country is at war its need in manpower is very great. We are in need of millions of workers for combat, for serving combat, for building roads, for building industry, and for building new economic areas in the middle and mountainous regions. To have these workers, we must rely on a reassignment of manpower in the nonagricultural sector, but mainly on manpower in agriculture. More than ever, we must urgently supply agriculture with technical equipment with the aim, on the one hand, of applying intensive cultivation methods in order to increase crops, increasing output, and quickly increase the production of food, foodstuffs, and industrial crops and, on the other hand, of shifting part of agricultural manpower; especially in the delta, to other branches and professions.

3. The problem of enlarging the domestic market is closely related to the problem of relations between industry and agriculture and the exchange of produce between two basic production branches of the society; that is, between two forms of socialist ownership: all-people ownership and collective ownership. The present speed of industrial development depends largely on the speed of the development of production of agricultural produce-merchandise and on agriculture's capacity to supply industry with food, raw materials, and manpower, of becoming a consumption market for industry, and of becoming an important source of accumulated capital for the building of industry.

On the other hand, the speed of agricultural development also depends on the speed of the development of heavy industry so that it can supply agriculture with new technical equipment as well as mechanized and semi mechanized tools, power, fertilizer, insecticides, building materials, and other means of production; depends on the speed of the development of light industry aimed at supplying rural areas with consumer goods in order to stimulate the development of production of agricultural produce-merchandise and encourage peasants to sell agricultural produce to the state.

Therefore, to enlarge the domestic market, the circulation and distribution branches must do their best to serve and step up the development of agricultural and industrial production along the socialist industrialization line and along the party's policy of building and developing the economy in the new situation, and satisfactorily settling the economic relations between industry and agriculture. The close market relations, and exchange relations between industry and agriculture in the north, today are by nature cooperation and mutual assistance between workers and peasants and between state economy and collective economy in which workers and state economy play the leading role.

To satisfactorily settle the relations between heavy industry and agriculture, the state must actively and voluntarily supply agriculture with the means of production; hiring them, selling them at a cheap price, selling them on credit, lending money, giving free some sort of insecticides at certain moments in certain areas, and so forth, to help agriculture develop itself quickly so that it can satisfy the demands of combat, of industry, and of the people's life and, at the same time, create conditions for cooperatives and peasants to increase accumulated capital quickly, heighten their purchasing power, and create more premises for developing industry. The attitude of government cadres and state economic branches cadres who rely exclusively on the agricultural market and passively wait for cooperatives to increase their purchasing power, as well as the attitude of cooperatives and peasants who rely exclusively on the supply and credit network of the state, or rely exclusively on the state, are both erroneous, contrary to the nature and content of market relations between industry and agriculture.

Relations between light industry and agriculture are achieved mainly through markets. We must pay special attention to developing the markets on both sides. But during the present phase, the aspect of agriculture playing

the role of market for industry is the most important aspect. To enlarge the domestic market is mainly to enlarge the rural market for supplying industry with an increasingly large quantity of agricultural produce-merchandise and for consuming an increasingly large quantity of industrial production. The financial, banking, commercial, and price branches must keep a firm hold on this point; enter more deeply and follow more closely the rural situation; rely on their functions to voluntarily serve and step up the three processes of cooperativization, technical revolution, and achieving production specialization in each agricultural area; enlarge the application of division of labor and the production of goods in rural areas in both directions of depth and width; and turn the countryside into a large market for industry.

Naturally, to make active contributions to intensifying agricultural production development and enlarging the rural market. We must do our best to serve and accelerate the development of heavy industry and light industry. Especially, we must strongly develop local industry and more closely combine local industry with agriculture and communication with transport.

It is necessary to settle satisfactorily the relations between accumulation and consumption. To achieve socialist industrialization in our country, especially when there is war, the problems of accumulation and of correctly settling the relations between accumulation and consumption are of great significance.

At present, the fact that consumption requirements are great and are increasing quickly is due mainly to the fact that the state must quickly strengthen the military forces in order to defeat the U. S. aggressors. On the other hand, the need to increase socialist accumulation is also very urgent, because only by pursuing the construction of the material and technical bases of socialism, stepping up the technical revolution, and strengthening the reserve force can we heighten our economic and military potentialities and help the north strongly develop its role as great rear for the great frontline.

To satisfy the above-mentioned requirements, the main direction to follow consists of developing the spirit of self-sufficiency and the spirit of thriftily constructing socialism, applying the principle of utmost centralization and self-reliance, and, at the same time, satisfactorily using the aid from the fraternal socialist countries. Of these two sources of accumulation, national economy and foreign aid, the national economy is always the main source.

We must value highly the assistance of our brotherly socialist states by organizing its reception well and by employing in the most rational, economical, and effective way the considerably great volume of equipment, machinery, means of production, and other commodities given by our brotherly states. These are used chiefly to serve combat and the construction of the material and technological foundation of socialism and to strengthen the state's reserve forces.

The most fundamental matter still to increase quickly the accumulated capital of the people's economy. Concerning this problem, the resolution of the party Central Committee's 10th conference has pointed out that: "The only way is to intensify socialist industrialization and develop production, mainly through a technological revolution for a quick increase in labor output and surplus products, through a new division of labor in society to employ labor fully in exploiting natural resources and developing the economic capacities of various regions and branches, and through the consolidation of economic and financial management to observe economization and check corruption, waste, and bureaucracy. The state's concentrated accumulation of capital must rely on industry, agriculture, and the other people's economic branches, particularly the state-owned industry, which by itself has a high labor output and generates new labor output in the entire people's economy."

In the present situation, all branches are striving to increase their socialist capital in this direction. It is necessary, however, to pay more attention to a quick replenishment of the sources of capital in agriculture and local industry. Since in the war, the conditions do not permit the establishment of too many large industrial complexes, and besides, it is also necessary to envisage the damages that may ensue.

Along with the effort to serve and stimulate industrial and agricultural development, the branches engaging in financial, banking, and price businesses must prize highly the tasks of financial and price management. Through their functions, they must strengthen the financial management of state owned corporations and work sites building basic structures and must stimulate economical auditing in order to economize manpower, fuel, material, food, and capital, carry out technological improvement, increase output, lower cost of production, lower transportation fares, increase capital accumulation, and reduce state expenditures. It is necessary to help wholeheartedly agricultural, handicraft, and trading cooperatives in the improvement of their management in all fields, particularly in the field of economic and financial management. We must be determined to resist the tendency to give light consideration to capital accumulation in the people's economy, to put too much reliance on foreign aid, and to use the war condition as the pretext for reckless spending and operation without considering the advantages or disadvantages, gain or losses as long as the work is done, thereby wasting the manpower, means of production, and capital of the state.

We must study to complement and adjust the systems and regulations of managing equipment, finance, cash, foods, and so forth, so that they will suit the new situation, but basically, we must resolve to uphold and demand that all branches and units correctly implement the principles of socialist economic and financial management as well as the systems and regulations of management that the state has set forth. In addition, we also resist the theory which advocates mobilization only, without replenishing capital accumulation, for this hinders the exploitation of the sources of capital from various branches, regions, and economic units which are moving from small and handicraft production to mass and mechanized or semi-mechanized production and which accordingly require expanded reproduction.

Between accumulation and spending there is basically a uniform relationship, because accumulation is intended for more spending in the future, whereas, current spending is designed to insure production and the objectives of the socialist regime in the north and at the same time, to replenish the labor which is essential for expanded reproduction, thus achieving a higher accumulation of capital. But at a certain phase, if we study the relationship between accumulation and spending, we will find an imbalance particularly in the case where the people's income is meager and the demands of industrialization as well as those of defense, the people's livelihood, and other purposes are as great as those of today. In order to solve this contradiction, it is necessary to keep a uniform relationship between them as the base, to coordinate correctly the short-term advantages with long-term advantages, and to realize fully the great and pressing demands of the revolution at the present.

In the case of building the economy during peacetime, the resolution of the party Central Committee's 10th conference has pointed out that "The correct solution of the relationship between accumulation and spending is an arduous and keen revolutionary struggle which requires that our entire party and all our people must struggle bravely, strive to develop production, economize, and understand thoroughly the case for persistent improvement of the present livelihood. This improvement must be carried out gradually with emphasis on key points, such as how to adapt the situation to the level of production in each phase and, at the same time, to concentrate more capital on accelerating socialist industrialization, so as to create a comfortable life and enduring happiness in the future."

In a situation where war prevails throughout our country, we must struggle harder, must demonstrate the spirit of self-sufficiency, and must mobilize manpower and wealth to a high degree in order to serve production and combat, defend the north, wholeheartedly support the south's revolution, and fulfill our international obligations. It is necessary to understand that we must strive to increase socialist accumulation in order to continue the construction of the material and technological foundation for socialism and that, in the meantime, we must look after the people's livelihood and replenish their strength. We must base our actions on the concept of sharing sufferings and hardships, equally, on simple living, on readiness to bear the difficulties, and on mutual help, so as to satisfy the basic demands of the people by associating them with the distribution in accordance with their work and with the extension of social benefits.

In the financial, commercial, and price tasks, we must insure application of this concept in order to effect satisfactory mobilization and distribution, thus helping to solve correctly the relationship between accumulation and spending under the new situation. While attending to the strengthening of socialist accumulation, we must also demonstrate a sense of responsibility with regard to the people's livelihood by trying to satisfy the most essential needs of the people for a decent diet and clothing and protecting the people's health and education to the best of our ability.

Wherever the production of certain products encounters great difficulties and the commodities imported from other places are insufficient, we must explain to the people and ask them to reduce their expenditures. Afterward, however, we must try to surmount those difficulties and restore the normal supply. This is the demand which requires the manifestation of an outstanding revolutionary effort and high sense of responsibility by us, the cadres, to the people and fatherland.

In a case where the production and combat situation is pressing, we must, on one hand, so intensify education for the people that they will be ready to make sacrifices and bear hardship, while on the other, we must have a deep understanding of the real difficulties in their lives and must strive to improve every aspect of the task of circulation and distribution in order to serve the people better. We must pay more attention to the way of life of the troops, of those workers who have to do hard work which is harmful to their health, of workers at remote work-sites, and of mothers, children, and patients. Through realistic measures, we must attach great concern to aiding the families of dead or wounded soldiers, the families of victims of the war, low-income families having many children who are scattered to several places, in order to lessen some of the difficulties in their lives.

Try to create a balance and stabilize the situation on a new basis. In the present situation, as pointed out by Instruction No. 100 of the party Central Committee's Secretariat, one of the great responsibilities of the financial, commercial and price branches is "to contribute an active share to the settlement of the loss of balance in the people's economy, to stabilize the economy on a new basis, and to stabilize the market, both price and monetary."

Last year, we made several attempts to do this and achieved some initial results. But recently, due to the difficulties encountered in production, especially in agricultural production, some areas have shown an imbalance and the free market prices have increased, particularly the prices of foods and foodstuffs. Some of our comrades express doubt it will be possible to stabilize the situation in the forthcoming period. This is a big and complex problem which needs further study. At present, however, we ought to rely on the lessons gained from experience last year, make a deeper analysis of the situation in order to have a deeper analysis of the situation in order to have a uniform idea of the problem, and devise positive measures to carry out the spirit of Instruction No. 100 of the party Central Committee's Secretariat mentioned above.

Moving directly toward socialism from a backward agricultural country which is still undergoing the change from small production to mass production, it is natural that we already face a great loss of balance, foremost being the loss of balance between industry and agriculture. In a situation where we have to fight against Americanism for national salvation and, at the same time, carry out the socialist industrialization, the loss of balance is all clearer and is manifested concretely by the relationship between supply and demand in all fields. Because of the objective demands of economic

development in accordance with the plans in order to improve production, insure combat, and stabilize the livelihood, we ought to promote those elements of the socialist regime of the north which are basically favorable. In the meantime, we ought to receive assistance from the socialist countries in order to overcome the handicaps of our people's economy. Based on the characteristics of the political and economic situation during each phase, each year, and even each trimester throughout the north as well as of each locality, we must try to draw up a plan, adjust it, and execute evenly in all aspects and on a realistic base, so that we may stabilize the situation, insure favorable progress in all fields of activity of society, and insure a stable life for the people.

Of course, we cannot consider the balance to be firm and permanent, nor is it advisable to understand the stabilization of the situation in its absolute sense. Since the general situation is developing and is complicated, we cannot envisage yet all of the new problems that will arise as well as the new difficulties that may insure from natural disasters or enemy threats. Nor can we be completely free to import commodities from foreign countries. Thus, there is a great loss of balance in the overall situation. We must try to achieve a balance by basing our moves on the capacity and real demands of each period and, at the same time, closely follow the development of the situation and adjust the plan in time when necessary.

We also do not conceive that a stabilized life must be easy and relaxed living with plenty of commodities. Nor do we consider that the maintaining price stability necessarily means keeping market prices always at the level or near the level fixed by the state. Stability here has a relative meaning; that is, with regard to everyday living, the basic demands must be satisfied so that the people's livelihood will not be upset or be too hard because of the war. With regard to prices, we must somehow maintain the prices of essential commodities and must keep the general price indices on the social market stable or allow them to fluctuate only slightly. With regard to the monetary problem, we may spend more, but relying on the policy of accelerating production and economization, we must strive to maintain price stability and to prevent the value of the currency from depreciating.

During the resistance against the French, we did not have the advantageous conditions we do now. At that time, at a certain movement the financial and economic situation became unstable. Many areas suffered a serious shortage of goods. Our currency was depreciated. Goods prices spiraled up. But we had had the experience that if the leadership were correct and positive measures were taken to solve difficulties, it would be possible to make the situation stable again. These measures were: developing production, practicing economy, achieving self-reliance in each area, promulgating the agricultural tax and the industrial and commercial tax policy, uniformly centralizing financial management, organizing banks and the state-owned trade branch, enlarging the exchange of goods in the country and with foreign countries, strengthening the management of cash, actively engaging in an economic struggle against the enemy, protecting our economy, and so forth. It is obvious that during this combat process, we became increasingly firm and powerful and finally defeated the French aggressors.

During the years of economic building in peacetime, and especially during the phase of economic restoration and during recent years, when agricultural production suffered seriously from bad crops, we learned many lessons from our endeavor to eliminate the recurrent state of loss of balance and restore the situation to normal and base it on new foundations, create conditions for building and developing the economy firmly and in accordance with the state plan, develop production, and stabilize and improve the people's livelihood step by step. We succeeded in so doing because we combined many aspects and measures, closely combined the activities of many branches, and regarded production development and the practice of economy as the main tasks. At the same time, we strengthened the management of goods circulation and distribution, increased the amount of goods controlled by the state, and used the financial-commercial branch as a sharp tool for stimulating production, restraining supply and demand, managing currency and prices, organizing and managing markets, constantly developing socialist trade, actively transforming private trade, and resolutely fighting speculation and hoarding.

In 1965 the revolution throughout our country entered a new phase. Our entire country was in a state of war. The north had to produce and fight concurrently. Demands increased suddenly. In some fields, they exceeded the society's capacity to satisfy them. Means of communication and transport were heavily destroyed, especially in the former Fourth Interzone. Production at several places and in several fields encountered many difficulties. The circulation of commodities met some obstacles. Financial income and expenditures, and money and commodities lost their balance. But under the leadership and direction of the party and authorities at all levels we coordinated several fields, strove actively to overcome every difficulty, and achieved some good initial results, thereby keeping the general economic situation from being upset. Production developed, and the market prices and the people's livelihood basically stabilized. In the former Fourth Inter-region's provinces, where the objective conditions created the greatest loss of balance, we also strove to keep the situation relatively stable.

We could have made the situation much better if we had known how to develop the basic advantageous factors of our system and apply in a versatile way the party's line and policies as well as the good experiences of the past. For instance: the situation of prices and the food market could have been much improved if we had known how to guide more closely the regulation of food within agricultural cooperatives and how to supply areas engaged in the cultivation of industrial crops with sufficient food, enlarge the network of collective eating houses along the main roads, and manage the market more closely.

The supply of food and fuel would not have encountered the difficulties it did in the past, if we had known how to serve and step up production actively and in good time, especially the production of vegetables in areas where construction sites, factories, and evacuees are concentrated, and if we had known how to intensify the collection and purchase of food, manage food distribution more closely, and, at the same time, take positive measures to solve the problem of exploiting and transporting firewood and charcoal and

turning firewood into charcoal in areas where there are the conditions to do so. Many other consumer goods; such as hats made of latania leaves, wooden shoes, needles, thread and medicines, and so forth, could not have faced a shortage if we had known how to step up local production, solve in time the problem of regulating raw materials and goods among various localities, and take advantage of any opportunity and available means to transport goods from the central level to localities.

The state budget would have been better executed if receipts had been better managed; financial organs' supervision of the financial activities of state factories had been better strengthened; expenses, especially expenses of the basic construction and national defense branches, had been managed more tightly; and the combination of the management of financial expenses and labor management; the management of food supply and the management of prices, especially fees for the transport by rudimentary means, for unloading goods had been carried out more carefully. The management of cash would have been carried out better if financial receipts and expenses had been better managed, the task of mobilizing the people to deposit their saving money had been stepped up in all provinces, districts, and villages, and the regulation of currency circulation had been more closely combined with the regulation of goods circulation.

Looking back at last year's activities, we have deeply discerned the shortcomings which were caused by our subjective views. At the same time, we have clearly discerned our duty and capacity to achieve a balanced state under the new situation. Here is an important observation which can be drawn from the realities of 1965: Under the present concrete conditions of the north, the difficulties are numerous, but the advantages are fundamental. Since in general the economy is balanced in many fields, we are still able to restore a balanced state and stabilize the situation on the new bases of the entire north and of each region or province.

To turn their capacity into realities, branches and echelons must endeavor to struggle on many fronts in accordance with party line and policies in order satisfactorily to fulfill the tasks of the state plan.

Responsible branches at the central level must closely cooperate to help the party Central Committee and government to guide permanently and closely the drawing up and execution of the plan to centralize forces in order to satisfactorily achieve the essential balance in the labor force, technical materials, essential commodities, in import and export, in financial receipts and expenditures, and credit and cash; closely coordinating various aspects of transportation with the circulation of the means of production and goods; stepping up production, leading and guiding consumption, and so forth.

At present, another very important task is that party committees at various echelons and the city and provincial administrative committees must exert comprehensive leadership over and direction of the local economy, and achieve in every way possible equilibrium in each region, province, city, and district. It is necessary to rely upon the local state planning agency,

to coordinate closely various branches of production and circulation and distribution, and minutely and concretely to calculate various aspects of the balance among needs, labor strength, capital goods, transportation, financial, and cash and credit capability. One must use the above factors to work out plans and adopt measures to step up industrial and agricultural production in the correct direction, build and develop local communication and transportation, rationally coordinate and distribute labor to the various fields of activity, intensify collection and purchase work, and step up efforts to insure that the state holds the source of goods in its hands. One must use the existing capacity closely to direct the distribution of means of production, goods, and capital, paying attention to the focal points. One must exert leadership in order to achieve rational consumption and economy; satisfy the immediate needs and the need for reserves, the needs of the central level and the needs of the local level; and strengthen economic and financial management, especially the management of the utilization of labor and means of production.

It is necessary regularly to follow up the progress made in the implementation of the monthly and quarterly plans in order to re-vitalize production and consumption adequately. In the performance of this task, the finance, banking, business, and price branches play very major roles, because they hold the most important economic levers, which are goods, money and prices, and they are the synthesizing organs which are capable of regulating in a relatively comprehensive manner all fields of social activity, and which have a direct bearing upon these fields. Therefore, in order to exert satisfactory leadership and direction of a balanced implementation of plans, the local leading echelons must fully develop the functions of the financial, banking, business, and price branches in serving and stimulating production to develop. They must guide goods consumption; implement the plans for the mobilization and distribution of manpower and material power; strengthen economic and financial direction of the state-run economy and the cooperatives' economy; strengthen the management of markets; and regularly communicate to the leading echelons of the party and state the situation of imbalance when it occurs, in order that appropriate adjustments can be made in the plans. Only by performing this task can we stabilize the situation and establish equilibrium in the new situation.

It is necessary to settle satisfactorily the relations between uniform and centralized leadership and the assignment of management to various echelons. In accordance with the characteristics of our economy and with the line of building the economy during war time, it is necessary to build provinces and cities having about one million inhabitants into relatively complete economic units. With regard to this problem, it is necessary to understand thoroughly this basic view: the condition deciding the stability of our economy is the necessity of firmly maintaining and continuously strengthening the bases of socialism under every circumstance. These bases are: the centralized, uniform, and comprehensive leadership of the party from the central level down to the basic echelons; the mission of the dictatorial proletarian state of managing the economy and culture; the system of socialist ownership of means of production; and the relation between

cooperation and mutual assistance, a relation based on the comradeship between workers, the worker-peasant alliance bloc, the national unity bloc, and so forth.

Our entire socialist economy is a uniform body under the management of the state, and it functions in accordance with the party line and policies and with uniform systems and plans. In wartime, there must be changes in the distribution of production and goods and in the economic and financial management so as to suit them to the new situation. It is necessary, however, to recognize that our economy, at the central level as well as in the localities, continue to develop in accordance with the requirements of the socialist economic rules.

Provincial and city economies are units of the national economy serving the economy and the defense of the entire country and concurrently combat units and relatively complete local economic units which have their own agriculture, industry, communications and transportation branch, budget, credit funds, market, and so forth and which fulfill logistical duties toward the troops and people in the provinces or cities. Provincial authorities are an echelon of the state machinery in charge of economic and financial management and cultural management. They represent the central government, are partially responsible for fulfilling the central government's tasks in the localities, and insure that duties toward the central government and the entire country are thoroughly fulfilled. At the same time, they are an echelon in the localities, responsible for managing the local tasks and serving the direct interests of the local people.

To build provinces and cities into relatively complete economic units is one of the elements in the protracted task of economic building. In wartime, it has a more urgent and important significance.

To carry out the above-mentioned task, it is necessary to assign rationally economic and financial management in order to satisfy the following basic demands: 1. To cause the local economy and the entire northern economy to grow and become powerful and to fulfill the logistic tasks on the spot and to the highest level possible in order to insure victory; 2. To develop fully the localities' sense of responsibility, eagerness, voluntariness, and creativeness; to achieve a centralized and uniform leadership in the localities; and, at the same time, to insure a centralized and uniform leadership by the central government over the carrying out of policies, line, systems, and plans and over the regulating of general distribution; the assigning of management to various echelons is aimed at strengthening the forces of the central government and the localities; and 3. To rationalize organization, improve management, and insure a deep, close, urgent, and opportune leadership.

War is requiring that our economy grow and become stronger. Basing ourselves on the superiority of the socialist system, having a correct line and policies and with appropriate measures, surely we are able to mobilize our people's great revolutionary forces in order to develop production and

satisfy the war requirements. Through serving the anti-U.S. national salvation, the northern economy will pursue its development. The material and technical bases of socialism will be reinforced. Our forces will become stronger and more stable. The stepping up of the assigning of economic, financial, and commercial management to various echelons is aimed at satisfactorily exploiting the rich potentialities of various localities, making the local economy become increasingly stronger; and helping all areas develop their forces in order to fight and defeat the enemy with the people's war line. At the same time, this stepping up is consistent with the long-range requirements of socialist industrialization because the development of local economy will create favorable conditions and firm markets for the development of industry at the central level, especially heavy industry.

By its nature, the assigning of economic and financial management to various echelons is aimed at pursuing socialist industrialization; building a system of socialist finance, credit, and prices and a socialist commercial network under the new situation; helping industry exert deep and wide influence upon agriculture and various national economic branches; and helping each province and city satisfy its own needs to the highest level possible and at the same time make increasingly great contributions to satisfying the common demands of the country. The financial, commercial, and price branches must clearly understand this point in order to develop their circulation and distribution mission aimed at contributing to reinforcing the economic potentialities, satisfying the logistical needs on the spot, consolidating the national defense, and actively creating conditions for defeating the U. S. aggressors and stepping up socialist construction.

During the first phase of the strong development of local economy the leading authorities and branches in various localities cannot avoid encountering difficulties and embarrassment. Therefore, the responsibility to the production, circulation, and distribution branches at the central level toward the localities is very heavy. They must actively and urgently come down to the localities and closely and thoroughly follow them in order to uncover new problems in time; give assistance to the localities in the fields of capital, means of production, drawing up of plans, repairs, training and improvement of cadres and workers, and so forth; and study new and suitable policies and system in time and create favorable conditions for the development of local economy.

With resources and manpower distributed in accordance with the present administrative frontiers, each city or province is an administrative-economic unit in charge of directly leading and unifying the management of production combat, and the livelihood of the people in the province or city. Under one leadership and with the assistance of the central government, each city or province is responsible for exploiting and managing most efficiently its resources, its manpower, its material and technical bases and the capital entrusted it by the state to make the greatest contributions to socialist industrialization and the anti-U.S. National salvation task throughout the country and, at the same time, serve production, combat, and life most satisfactorily within the limit of each province or city.

While assigning the managerial task to various echelons, one must uphold the sense of being the master of the community and the sense of responsibility toward the common task, especially toward the southern frontline, and combat regionalism, unitarism, and reliance on others (such as using as a pretext the necessity of fulfilling the "logistical task on the spot" to refuse to correctly carry out the central government's systems, general norms, and orders to mobilize means of production and goods). At the same time, one must combat the tendency to monopolize all of a given task and refuse to assign part of it to local echelons, thus restricting the potentialities and creativeness of the localities.

The vietnamese nation is passing through a phase of great revolutionary struggle aimed at defeating the U. S. imperialist aggressors and their lackeys in order to protect the north, liberate the south, advance toward national unification, and fulfill the historic tasks of the people's national democratic revolution throughout the country. We are undertaking a profound and wide revolutionary war which has not been seen in the history of our struggle against foreign aggression.

Faced with the new situation, faced with the great requirements of the war and of the construction of socialism in the north and of the great rear for the entire country, our people must fulfill their tasks with a very high determination and with very great efforts. As the logistical branch for the people's war and concurrently the tool which the dictatorial proletarian state is using to construct socialism and the socialist economy, the financial, commercial, and price branches must maintain their position and develop their mission in order to make enormous progress in the areas of mobilizing manpower and wealth and exploiting all the potentialities of the country and of receiving and satisfactorily using the aid of the fraternal socialist countries. They must, on this basis, undertake a rational distribution of means of production and capital in accordance with the state plan in order to strengthen the economic and military potentialities of the north quickly and satisfy in time the great requirements of the anti-U.S. national salvation task. To fulfill this task satisfactorily is to make active contributions to protecting, building, and reinforcing the material and technical bases of socialism, firmly consolidating and perfecting the new production relations, pursuing the completion of socialist transportation, strengthening the political and intellectual unanimity of our people, and insuring the building of the north into a firm and strong rear in all fields.

Enormous progress must be made in the field of circulation and distribution. This is an urgent and objective requirement. This enormous progress is not only an aspiration, but also a real possibility. We have begun to eliminate the purely professional view; to guide the circulation and distribution task in yielding to party line, policies, and political tasks; to rely on the people and base ourselves on the necessity of sticking fast to production and serving and stepping up production so as to carry out the task of circulation and distribution under the comprehensive leadership of party chapters of all echelons and in accordance with the spirit of socialist cooperation among the various branches. We are followers of the doctrine of continuous revolution. On the circulation and distribution front, we have struggled in a spirit of always advancing and never retreating.

Now more than ever, all cadres and personnel of the circulation and distribution branch must clearly realize our people's very glorious and historic task, which is to struggle against a most powerful and most dangerous enemy of mankind, U. S. imperialism, and be firmly confident that with our party's correct line, with our armed forces' and people's spirit of valiant struggle, with our people's war, which has developed to a high degree, with the great assistance of the brotherly socialist countries and the world people's comprehensive sympathy and support, we can win any kind of war waged by the U. S. imperialists. We must heighten revolutionary heroism, be ready to endure all hardships and sacrifices, overcome all difficulties in order to enthusiastically strive to fulfill any task on the circulation and distribution front, unconditionally serve the frontline, production, combat and life, and use the effectiveness of this service to measure our progress.

To insure that we achieve outstanding progress right in 1966, so as to successfully fulfill the task of circulation and distribution, we must understand more thoroughly the resolution of the party Central Committee and the Instructions of the Secretariat and must firmly grasp the 1966 financial and business transactions and price trend and tasks, in order to carry out all circulation and distribution work in accordance with the viewpoint, line, and policy set forth by the party and the government. It is necessary to rely upon the existing body of financial, banking, business, and price cadres and the advanced units in the circulation and distribution link, and through the party schools, professional schools, and short-term or on-the-job classes, to train and improve a bulk of cadres having high revolutionary quality and versed in technical skills in order to meet the immediate and long-term requirements. This is a factor which determines the development of work in finance, business, and prices. Therefore, except for cases of prime necessity and inevitability, party committees at various echelons must avoid to the greatest possible extent the shifting of cadres from one branch to another, and should not change the cadres' work.

To serve the present building and development of economy in a satisfactory manner, there must be strong changes in the fields of organization, circulation, and distribution in accordance with the demands of the new situation. In wartime, the degree of concentration of materials and goods into the hands of the state is very high, because only thus can we mobilize all potentials of the national economy, branches, and localities and satisfy the demands of the frontline.

Along with the implementation of the duty of centralized and uniform management at the central echelons, the assignment of management roles among central and regional echelons must be done without delay in order to enlarge the power and improve the sense of responsibility of localities in the application of lines, policies, systems, and norms set forth by the central echelons in leading and directing the building of regional economies. Along with bold assignment of management tasks, it is necessary to strengthen the sense of organization and discipline of various echelons in the application of policies and systems and in reporting to higher echelons and asking instructions from them.

Economic leadership in wartime must be very positive and urgent. It is necessary to strengthen and improve the organization of the financial, commercial, and price branches so they will become orderly and strong and provide high efficiency, thereby insuring swift and prompt leadership and direction.

Rice, clothing, and money are closely related to the everyday production and fighting of the army and people. Cadres entrusted with circulation and distribution tasks must combat bureaucracy and formalism, acquire the habit of carrying out their jobs practically, carefully, and elaborately, try to stay close to the masses, and be sensitive to the life.

We are convinced that following the line of the Party Central Executive Committee and under the direct and comprehensive leadership of party committees of all levels in the fields of production, fighting, and circulation and distribution, cadres and personnel of the financial, commercial, and price branches will make forward strides and score new, greater achievements in 1966.

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