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# **Southeast Asia Report**

**VIETNAM**

**TAP CHI CONG SAN**

**No 8, AUGUST 1986**

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1 DECEMBER 1986

## SOUTHEAST ASIA REPORT

## VIETNAM

## TAP CHI CONG SAN

No 8, August 1986

Except where indicated otherwise in the table of contents the following is a complete translation of the monthly theoretical and political journal of the Vietnam Communist Party published in Hanoi.

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**SOLICITING THE OPINIONS OF THE PARTY, OF THE PEOPLE CONCERNING THE DRAFT OF THE POLITICAL REPORT TO BE PRESENTED AT THE 6TH CONGRESS**

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 1-5

[Editorial]

[Text] The 10th Plenum of the 5th Party Central Committee discussed and unanimously adopted the draft of the Political Report to be presented at the party's 6th National Congress.

The draft Political Report has been transmitted to the cadres of all level and sectors with the aim of assisting in the writing of reports at the party organization congresses on the various levels and supporting the second round of self-criticism and criticism. The draft of this important document will also be presented for discussion at the party organization congresses on all levels, beginning at the congresses on the basic level, and be discussed among the people with a view toward gathering the opinions of cadres, party members and the people.

Together with self-criticism, with preparing for and holding the party organization congresses on the various levels, presenting for discussion and obtaining the opinions of cadres, party members and the people concerning the draft Political Report are a job of very important significance in the process of preparing for the national congress of the party. Within the context of the party being in power, the purpose of this extremely necessary work is to tap the intelligence of the entire party and the people in order to resolve the weighty problems of the party and country, strengthen the close ties between the party and the masses and uphold the right of collective ownership of the masses in the cause of building socialism and defending the fatherland.

As we know, at every national congress of the party, the Political Report of the Party Central Committee is always the most important theoretical and political document to be presented. Based on Marxist-Leninist thinking, it reviews the whole of the performance of the tasks set by the party in recent years and analyzes, summarizes and draws lessons and experience concerning leadership and guidance. At the same time, it sets forth, on the basis of the specific situation, the major tasks, guidelines, targets and measures concerning all aspects of the activities of our party, our state and our people in the years ahead.

The better the Political Report is prepared and the more widely the opinions of large numbers of cadres, party members and the masses are surveyed, the higher the quality of this report will be and the greater its impact will be in guiding the course of the revolution, guiding our efforts with regard to the problems faced in life. Consequently, it is the responsibility of the leadership organizations of the party to not only make thorough preparations so that a good draft Political Report can be written, but also to tap the intelligence of the entire party, of the people and gather many opinions while studying and combining these opinions of party members and the masses to incorporate them in the draft so that the contents of the draft are more complete and it can be rewritten as the official Political Report presented at the party's national congress.

The contents of this draft Political Report deal with the situation and tasks of our country's revolution; with the socio-economic guidelines and tasks for the years from 1986 to 1990; with guaranteeing and building upon the right of collective ownership of the laboring people and the management role of the state; with the world situation and the foreign policy of our party and state; and with improving the leadership ability and increasing the fighting strength of the party.

Drafted in a serious spirit combined with the experience that has been gained, this draft Political Report fully reviews the implementation of the resolutions of the 5th National Congress and the resolutions issued by the Party Central Committee and Political Bureau since the 5th Congress. It presents a general, overall picture of our country and reaches correct conclusions of important significance in many different areas: building a stronger consensus within the party and among the people, improving the leadership ability of the party and proposing accurate solutions to problems in order to bring about the continued advance of our country's revolution.

One of the issues of foremost importance, and also an issue concerning which there currently are differing opinions, is that of how to assess the situation. Only by assessing the situation from a point of view that is correct can we straighten out misunderstandings of one aspect of the situation or another and achieve unity and consensus. Only in this way can we lay the groundwork for defining the tasks, guidelines and targets of the revolution in a manner consistent with the actual situation. The attitude and methods of our party in assessing the situation are rather clearly evident in the Political Report: squarely facing the truth, analyzing the situation as it truly exists and speaking the truth. On the one hand, the draft Political Report confirms the achievements that our people have worked so hard to record during the past several years; on the other hand, it points out, in a straightforward manner, the mistakes and shortcomings of the party in the leadership and guidance it has provided and clearly analyzes the causes of mistakes and shortcomings. The analysis and assessment of the situation in recent years as well as the tasks, guidelines and targets for the years ahead--in both domestic and foreign affairs, particularly with regard to the economy--were discussed on many different occasions and carefully considered in a spirit of responsibility by the collectives of the drafting subcommittees, which consisted of many specialists and leaders of organizations of the party and state on the central and local levels.

In the course of the discussion at the plenum of the Party Central Committee, many comrades contributed many profound thoughts on all the matters raised in the draft. These thoughts were combined and incorporated in the draft. It can be said that, from a practical standpoint, the draft Political Report was prepared and written on a scientific and democratic basis and reflects the collective intelligence of the Party Central Committee.

Although the draft Political Report was prepared in a painstaking manner and a serious spirit, the Party Central Committee attaches very much importance to obtaining the opinions of cadres, party members and the people concerning this draft. This proves that our party is serious about implementing the principle of democratic centralism as well as thoroughly practicing its own mass viewpoint.

Democratic centralism is the basic organizational principle of our party. This principle, as stated in Party Statutes, "insures that each organization of the party and each party member displays activism and creativity as they participate in formulating and implementing the lines and policies of the party; on the other hand, it insures unity of will and action within the party."(1)

The presentation of the draft Political Report for discussion and to obtain the opinions of cadres and party members is aimed at meeting this requirement. Most importantly, it upholds the "right" of each organization of the party, of each cadre and party member to discuss, contribute their full intelligence and contribute their "activism and creativity" to the formulation of the lines and policies of the party and solve the weighty problems of the revolution. This is one of the highest expressions of the practice of democracy within the party. Every member and cadre of the party must clearly recognize this honor and obligation and must, through his or her intelligence and practical experience, actively contribute to the draft Political Report. No one should adopt a passive attitude and rely upon the upper levels.

Facts always prove that the leadership ability of the party and its fighting strength depend, to a very large degree and, in one respect, to a decisive degree, upon the quality of the corps of party members. To develop their role and make a greater impact, each member and cadre of the party must possess pure revolutionary virtues and qualities, firmly adhere to the lines, views and positions of the party and guide each activity of the masses in exact accordance with the leadership guidelines of the party. The discussion of the draft Political Report will not only help to amend and improve the draft, but will also help the organizations of the party, help cadres and party members to gain an even deeper understanding of the views and thinking of the party concerning the various areas of activity and the issues being faced in socialist construction and the defense of the fatherland today. And, this will help to strengthen the unity of will and action within the party and insure that our party can successfully carry out each task.

Throughout the course of leading our country's revolution, our party has always firmly adhered to the mass viewpoint of Marxism-Leninism: the revolution is the undertaking of the masses, the masses are the persons who create history. In today's cause of building socialism and defending the

fatherland, our party attaches even more importance to establishing close ties between itself and the masses, tapping the intelligence of the masses and upholding their right of ownership. Facts proved that our people are very revolutionary, that they stood side by side with our party in the long fight to win victory over all aggressor powers, liberate the country and reunify the fatherland. The achievements of the revolution in recent years are the combined results of the three revolutions and also the results of the laboring people of our country exercising their right of collective ownership, displaying a high degree of revolutionary heroism, working diligently, enduring hardships, having confidence in the leadership of the party and uniting with one another to build the new life.

The national congress of the party is the most important political activity of the party and also the most important political activity of our people and our country. The party leads and maps out lines for our country's revolution. The masses implement each line and policy of the party, are the masters of society and the masters of the country. The relationship between the party and the masses is a relationship as close as the relationship between flesh and blood. Drawing from the experience they have gained in their practical activities in all fields of work, productive labor and combat, the various strata of our people and all collectives of laborers will surely contribute many good ideas and help the party to refine the draft Political Report. This is both an honor and the responsibility of our people to the party that leads them.

One of the insidious schemes being carried out by the enemy today is the increased use of propaganda activities to distort and attack the leadership of the party, discredit leaders of the party and state and provoke divisions between the party and the people. The purpose of having the draft Political Report discussed by the people is not only to tap their intelligence, but also to help everyone to gain a correct understanding of the country's situation, clearly understand the problems facing us in the revolution, gain an understanding of the lines and views of the party, heighten everyone's sense of responsibility, build greater political and ideological consensus among the people, establish amongst the people close ties to the party and refute the enemy's reactionary arguments.

Local and basic level party organizations gained much experience in obtaining the opinions of the people when preparing for previous congresses. They must use this experience to organize, in a very good way, the discussion of this draft Political Report by the various strata of the people and the surveying of their opinions concerning it. Generally speaking, many flexible forms of organization should be employed so that many opinions can be gathered from the representatives of the various strata of the people, from the executive committees of the mass organizations, from the members of these organizations, from collectives of laborers, from party factions within the Vietnam Fatherland Front, from important personalities, etc.

In addition to the party congresses on the various levels and the conferences of the mass organizations, the sectors on the central, provincial and municipal levels, particularly Hanoi and Ho Chi Minh City, should hold special conferences to survey the opinions of specialists, scientific-technical cadres



and activists in the fields of culture, art, education, public health and so forth in order to gather thorough opinions concerning a number of specialized issues addressed in the Political Report and the report projects of the provinces and municipalities.

The way that opinions concerning the draft Political Report are obtained must be practical. Formalism and ostentatiousness must be avoided. Full importance must be attached to the opinions of the lower levels and the people.

The opinions forwarded to the upper level must be the full opinion originally expressed and none may be omitted. Specific opinions which require that action be taken must be forwarded by the party committee to the concerned sector, which must respond within a stipulated amount of time and be closely inspected.

In the phase of activities to discuss and contribute opinions to the draft Political Report, newspapers, radio and the other mass media play a very important role. In addition to making the draft Political Report public and presenting the contents of this document, newspapers and the radio can carry special columns or broadcast special programs dedicated to contributing opinions to the draft Political Report in order to register the opinions of cadres, party members and the people. Each newspaper should, depending upon its function and task, selectively reflect the opinions expressed, primarily opinions of value concerning matters that pertain to the field of work of its sector or circle.

Within the party as well as among the people, the discussion of the draft Political Report and the offering of opinions concerning the draft must be closely linked to the performance of specific, everyday work tasks. At the party congresses on the various levels, the discussion of this document and the offering of opinions concerning it must be combined with the second round of criticism and self-criticism. The process of discussing the draft Political Report within the party and among the people is also the process of continuing to gain a thorough understanding of the lines and policies of the party that were set forth at the 4th and 5th Congresses and in the resolutions of the plenums of the 5th Party Central Committee and the resolutions of the Political Bureau. The discussion of the draft Political Report and the offering of opinions concerning this draft as well as the practice of criticism and self-criticism, the review of work and the establishment of new work tasks must be oriented toward the common goals of achieving a high degree of consensus throughout the party and among all the people based on the lines and views of the party in advance of the 6th National Congress and accelerating each aspect of current work. Not much time remains before the start of the 6th Congress. The various party committee echelons must focus on conducting good party organization congresses on their level in order to "successfully resolve the pressing socio-economic problems pointed out by the 10th Plenum of the Party Central Committee, perform national defense, security and foreign policy tasks well, launch a spirited emulation movement throughout the party, among all the people and throughout the armed forces to record practical achievements in celebration of the 6th Party Congress and create an atmosphere of enthusiasm and confidence in advance of the congress." (2)

In view of the important requirements mentioned above, we must make every effort to organize the discussion of the draft Political Report well at the party congresses on the various levels as well as among the people with the aim of contributing opinions to the documents of the upcoming party congress.

#### FOOTNOTES

1. CPV Statutes, 1982, pp 13-14.
2. Speech by Truong Chinh at the Special Plenum of the 5th Party Central Committee, 14 July 1986.

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SPEECH BY TRUONG CHINH AT THE CADRE CONFERENCE TO STUDY THE DRAFT POLITICAL REPORT TO BE PRESENTED AT THE 6TH NATIONAL CONGRESS OF THE PARTY (7-10 JULY 1986)

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 6-13

[.ext] Dear comrades:

Over the past several days, working hard, imbued with a high sense of responsibility and resolved to gain a thorough understanding, you comrades have studied and animatedly discussed the basic contents of the draft Political Report, and have contributed many good ideas to this report. On behalf of the Party Central Committee and the Political Bureau, I warmly acclaim the results of the conference.

Over the past 56 years, with its rich experience in revolutionary struggle, our party has led our people in overcoming countless difficulties and trials and in scoring extremely glorious victories. With the total liberation of the South and national reunification, our entire country entered the period of transition to socialism. In the light of the resolutions of the 4th and 5th Congresses, in a situation in which our country still faces many difficulties, our party has led our people in continuously scoring great successes in socialist construction, in defending the socialist fatherland in discharging their national tasks and international obligations.

Apart from those great achievements, we have committed a number of serious blunders and mistakes in economic construction and management. Those achievements and successes, those blunders and mistakes, as well as the guidelines, objectives and tasks of the party and people in the forthcoming years, are reflected in the draft Political Report to be presented at the coming congress.

Comrade Vo Chi Cong has introduced the basic contents of the Draft Political Report to enable you comrades to study and discuss them over the past several days. I will not repeat these basic contents. I would like, on this occasion, to add some ideas of my own so as to further clarify the party's strategic guiding concepts.

As you comrades already know, the 4th and 5th National CPV Congresses have pointed out very correctly our country's outstanding characteristics in the



period of transition to socialism and in the first phase of that period, that is, that we are advancing directly to socialism, bypassing the stage of capitalist development, from a situation of small-scale production, with a multisectoral economy, a very low commodity production ratio and continued natural-economy autarky in a number of regions.

A number of established material-technical bases have been seriously ravaged in the 30 years of war. Imbalances in grain, foodstuffs, energy, raw and other materials, and infrastructure have been severe and serious. Freshly emerging from a long war, our people have had to cope with a land-grabbing border war and a multifaceted war of sabotage waged by the Chinese expansionist-hegemonists, in collusion with the U.S. imperialists and international reactionaries, making it impossible for us to devote our efforts to economic construction. These outstanding characteristics prove on the one hand that we started our advance to socialism at a very low level; on the other hand they prove the extremely complex nature of the situation. Our shortcomings and subjective mistakes have rendered the already very difficult situation even more difficult and complicated.

The weighty task facing the 6th National CPV Congress is that it must make a realistic review of the situation and draw profound lessons from experience, thereby further concretizing the policy line set forth earlier at the 4th and 5th Congresses. Keeping in mind its momentous significance, we are resolved to do a good job in making preparations for the congress, to insure its success and to meet the aspirations of our entire army and people.

To further concretize the policy line and strategic guidelines for our country's development set forth earlier at the 4th and 5th Congresses, our party will lead our people in persisting in their struggle, in remaining valiant in their work and in the defense of the fatherland, in surmounting all difficulties and trials and in steadily advancing toward socialism.

To carry out the party's line set forth earlier at the 4th and 5th Congresses, we must, in the course of carrying out the socialist revolution in our country, make renovations in many respects; renovations in concepts, especially in economic concepts; renovations in work style; and renovations in organization and cadres. Our 6th Party Congress must meet these requirements. These renovations must be reflected in the contents of party documents, primarily in the Political Report, and in the guidelines for personnel assignments issued by the central level and by all party committee echelons at the all-echelon congresses and the coming national party congress.

We must base these renovations on the lessons learned from past successes and from the shortcomings and mistakes we have committed in the past 11 years, now that our entire country is entering the period of transition to socialism. At this point, I would like to bring up some important lessons from experience.

First, the strength of a country, of a revolution, lies in the people. In order to truly promote the working people's right to collective mastery, we must have confidence in the people, we must consider the people as the basis in all policies. That was how our forefathers thought and acted in ancient

times. In modern times, from prerevolutionary days to the August Revolution, and to the wars of resistance against France, the United States, and the Beijing expansionists, our party has invariably applied this same policy. In our current advance to socialism, we must all the more persist in applying this same policy.

Party policies must stem from the interests, aspirations and level of knowledge of the people. The assessment of our policies--whether they are correct, wrong, good or bad--depends on whether or not the majority of the masses are enthusiastic, supportive and eager to carry them out; whether or not production is promoted, the economy is improving, the people's lives are stabilized and gradually improved; and whether or not national defense and security are strong and stable.

Who carries out policies? The people, no one else. Even if policies are correct, unless the people understand and support them, they cannot be carried out. In that case, efforts must be made to educate the people and explain things to them; we must know how to wait for them.

Occasionally we must readjust policies to realities and the level of knowledge of the masses. We must educate the people, make them understand and have confidence in the party and create a seething large-scale revolutionary movement among the working people to make them voluntarily and eagerly endeavor to build socialism.

Since our country entered the period of transition, quite a large number of cadres and party members have detached themselves from the people, forgetting the years and months of sacrifice and hardship during which they shared the sweet and the bitter with them and thinking that popular support is needed only when they carry out a clandestine revolution and wage a liberation war and that, when we build socialism, the people must obey them.

Lenin said: the risk of a ruling party lies in that it may sever its relations with the popular masses. Our peasants have a tendency toward private ownership. This is correct. To advance to socialism, the tendency toward private ownership must be eliminated. That is also correct. But, the question is how to eliminate it. It must be eliminated by carrying out the three revolutions and gradually raising the level of production socialization while educating our peasants consistently, positively and persistently to help them gradually change their way of thinking in the direction of progress and not by giving orders and applying administrative and coercive measures to eliminate the tendency overnight. We may say that thinking of private ownership means a lack of patriotism, but our people will not agree with us and we will, as a result, be further distanced from them.

During the past several resistance wars, some families did not send their members to sacrifice for the fatherland's independence and freedom. Our peasants in particular and our people in general love their country and socialism very much. But they will object if we impose on them what is against their legitimate interests, if we force them to yield to our subjective will. The lesson for us is that our revolution, and undertaking of our people regarded as very important in the past, has now become even more

important. This is a very valuable historical lesson from our country's revolution.

Second, it is necessary in leadership work to abide by the law of objectiveness and to apply it to reality. Comrade General Secretary Le Duan said: to be masters is to grasp the law and to act in accordance with it. He was right. Failure to abide by the law cannot help us to exert mastery; on the contrary, the law may strike back at us.

Over the past more than 10 years, it has been obvious that when we want to change the socio-economic situation, we must first change our thinking, especially our thinking on economic matters. Marxism-Leninism has its universal, general principles, but how to apply them to the situation in Vietnam is our business, because no one else can do it for us. The application of these principles must be based on the actual situation in Vietnam, with its specific people and with the specific developmental conditions of our country's history, economy, social requirements and traditions.

The system of objective laws is expanding its impact. These laws influence and supplement each other; they combine into a single whole, with the special socialist laws playing the leading role. We must apply these laws properly and, through practical trials, readjust our policies so that we will apply not just a certain law, but the entire legal system, and do so more ingeniously and correctly. The criteria for evaluating the level and capability of properly applying the legal system through implementing our policies lie in production; maintaining circulation operations; stabilizing and gradually improving the people's material and cultural life; building a healthy, civilized society; heightening all ethical and spiritual values; and consolidating our national defense and security. Any policy that dampens the masses' enthusiasm, creates obstacles, lowers production, obstructs circulation operations, causes livelihood problems, develops negativeness and disturbs society, must be abandoned or remedied because it reflects an incorrect application of objective laws.

Over the past years, because we have made mistakes, developed subjectiveness and impatience, disregarded and even violated objective laws and remained backward and sluggish, we have held on too long to the system of centralism, bureaucratism and subsidization. As a result, production development has been restrained; our laboring people have been unable to actually develop their mastery; non-producers have exceeded producers in number; productivity, quality, efficiency have constantly decreased; and no products, or only very small quantities of goods, have been available for society. Circulation operations have been obstructed due to the partitioning of markets; the economic crisis has continued; inflation has not ceased; prices have been unstable; life has turned insecure; ethics and spiritual values have been eroded; and negativism has developed.

The 6th Plenum of the 1st Party Central Committee and especially the 8th Party Central Committee Plenum have deeply analyzed these shortcomings and mistakes and pointed out the serious harm which has been caused in several aspects. On the basis of this analysis, the Party Central Committee has decided to abolish



centralism, bureaucratism and subsidization and switch economic activities to the socialist system of accounting and business transactions, according to plan.

The resolution of the 8th Plenum of the Party Central Committee, followed by Resolutions Number 28, 31 and 306, the Political Bureau's draft resolution, and the conclusion of the 10th Plenum of the Party Central Committee on prices, wages and money mark our party's maturity in leadership work in general and in economic leadership in the awareness and correct application of laws, in shifting from directing economic operations through administrative orders, regarded as indispensable, to directing them by correctly applying the system of objective laws. This is the essence and profound revolutionary significance of the resolution of the 8th Plenum of the Party Central Committee.

Regrettably, because of a lack of understanding and thorough grasp of the spirit and basic contents of these resolutions, we have, while providing guidance for implementation, made a number of blunders and mistakes in currency exchange and in the recent general readjustment of prices and wages, thus causing serious consequences which we must now seek all measures to overcome.

It should be added that in the background of today's era, when the socialist community has become an international system and an increasingly powerful and stable force, there are many favorable objective conditions; we must necessarily seek, and are fully capable of seeking, the extremely valuable assistance of fraternal countries, primarily the Soviet Union. However, no matter how advantageous the objective conditions are, our subjectivity must always play the main role.

Obviously, we have missed out on a valuable opportunity. The Soviet Union has, in the past 10 years, provided us with aid worth tens of billions of rubles. Yet, with the bureaucratic, centralized subsidization mechanism, we have failed in our undertakings. We have had to dip into the aid for several hundred million rubles annually in social consumption, subsidization and loss compensation. Several hundred million rubles have been spent on many construction projects. This has been a big mistake.

Regrettably, a number of comrades still fail to fully recognize the profound, multifaceted harmful effects of that mechanism. They are still afraid that thinking and doing things in a way different to the bureaucratic, centralized mechanism is departure from socialism.

Some comrades worry that if we boldly utilize and develop the potentials of different sectors of the economy, promulgate policies for production expansion and coordinate state--and people-created jobs, the situation will become more chaotic because raw materials, materials and energy, being in limited quantities, will then be channeled from state-run installations to the collective and private sectors. Do they mean, as evinced by their fears, that we must limit production and, in so doing, not provide jobs to everyone in

order to do the right thing and avoid chaos? Moreover, such concern proves that we are still not confident of the people's strength; we still do not clearly understand the application of rules.

In fact, when we adopt a policy of expanding production and creating conditions to provide more jobs, because of the division of labor in society, some workers, in carrying out their occupations, will create more raw materials and materials for production in order to meet social needs; the working people will bring into full play their creativity in overcoming difficulties and developing production.

The problem is, we must adopt correct policies to create conditions for workers, production and business installations and localities to produce raw materials, materials and consumer goods. If our policies--especially investment, pricing, circulation and distribution policies--are rational, peasants will certainly not give up tilling, will not pull up tobacco plants, will not cut off and destroy sugarcane; and will not give up hog raising. On the contrary, they will be more enthusiastic and will produce more; we will have more raw materials and materials for industrial production and more grain and foodstuffs for consumption. If investment policies are correct and if we have suitable policies, mine workers will certainly eagerly overcome difficulties in producing more coal, and scientists and technicians will devote their intelligence and talent to creativity and search for sources of energy, raw materials, and materials that can be tapped locally, thus helping economize large amounts of foreign exchange.

Correct policies not only help promote production but also make important contributions to consolidating the worker-peasant alliance and making it more steadfast; they arouse enthusiasm and confidence among the peasants in their steady advance to socialism, along the path already charted by the party. Erroneous, unpopular policies that go against rules not only cause production to decline but also hurt the worker-peasant alliance and drive peasants into the hands of speculative private traders.

As far as socialist transformation is concerned, we must also step it up on a permanent, continuous basis by adopting practical forms and steps for each locality and the entire country and by properly implementing the guideline for conducting transformation by making use of it, by making use of it to better conduct transformation. We must make production relations consistently conform with the nature and capability of production forces, determined not to quickly give up transformation due to a sense of impatience, thereby causing production to decrease and the market to decline. The best way to implement this guideline is to broadly apply proper forms of economic cooperation among economic components on the basis of developing the key role of socialist economic components. Of course, we must punish speculators, smugglers, makers of fake goods who intend to deceive consumers, thieves; those who are corrupt, deviant and depraved; and those who siphon state goods from warehouses.

We must strengthen managerial work to control the market by properly combining economic, administrative, educational and judicial measures. But this market must be a prosperous one with an abundance, not a scarcity, of goods so as to meet social needs. If we should have to manage a poor market, how could we

satisfactorily apply the basic socialist economic law which seeks to satisfy the laboring people's growing material and cultural needs.

We can simply say that failure to correctly comply with this law will not lead us to socialism, and that failure to correctly understand this law will prolong and not shorten the path toward socialism. We should not assume that we could advance to socialism more quickly by skipping a stage or implementing this law incorrectly. On the contrary, we would then move forward very slowly.

In sum, the most correct and quickest way to advance to socialism is to respect the objective laws, to apply them correctly, and to act in accordance with them. There is no other way. This is the second lesson for us.

Third, we must maintain and strengthen our party's leading role to insure the mobilization of all our people's capabilities toward the realization of socialism, to insure the conscientious application of law, and to create favorable conditions for developing the positive effects of these laws. The leading party must grasp the laws that affect society in each historic stage. By properly grasping this system, the party's leadership will help the people in vigorously developing their socialist collective mastery and guide them in conscientiously acting in accordance with these laws.

The might of these laws is invincible. Whether the powerful force of proletarian dictatorship and the laboring people's great capabilities can be fully developed or not depends on whether or not this force and these capabilities act in accordance with these laws. To comply with these laws is to observe the people's will and to follow the progress of the country and the era. For this reason, correct compliance with these laws will help us develop production, carry out smooth circulation operation and gradually stabilize and improve the situation.

Our party's experienced leadership over the revolution over the past 56 years has proved its correctness and creativeness in combining the national and international factors, the traditional and contemporary factors, as well as the objective factor regarding the people's strength and the objective factor regarding the application of the system of laws. It is for this reason that our country's revolution has advanced from one success to another over the past years.

Over the past 10 years we have been entering the period of transition to socialism, that is, entering a revolutionary course that is still new to us. For thousands of years our people have fought their enemies and brought into full play their forefathers' heroic tradition of nation-building and national defense. This is the first time in our nation's history that we are building socialism.

In the course of our efforts to advance, apart from the successes we have scored, we have committed quite a few blunders and mistakes. Through the difficulties they have encountered and the blunders they have made, our party and people have further matured by another step. We can firmly be confident that, with our party's correct leadership, with the creative application of

the principles of Marxism-Leninism, and with our positive acts performed according to rules, the great strength of the system of dictatorship of the proletariat and the right to collective mastery of our country's working people will be highly enhanced in the coming years.

To insure the party's leadership, we must strengthen intra-party unity on the basis of Marxism-Leninism and the party's policy line. In the face of a difficult and complex situation, it is not unusual that opinions differ. We must be sincere and frank and adopt a constructive attitude in discussions in order to find out the truth and reach a high level of unanimity; we must try our best to avoid rashness and undue haste.

The present situation requires that our party renovate its work style in accordance with Uncle Ho's work style, and that it renovate organizational and cadre work as well. We must firmly maintain democratic centralism in party life as well as in leadership over economic and social activities.

Some people have offered the idea that, between centralism and democracy, we should at present accord priority to centralism. That claim is erroneous both in theory and in practice. Democratic centralism is a principle that reflects very strict unity. Unless we promote democracy and insure the right to autonomy of basic units, and the legitimate interests of the worker both in agriculture and industry, both in production and goods circulation, there will be no, or only very few, commodity products, and commodities will not be in normal circulation. In such a situation, can we insure centralism?

If centralism is stressed to the point that we lack commodities and goods circulation is stalemated, what is the purpose of centralism? That is the bureaucratic centralism we have been guilty of for a long time, and which the resolution of the 6th CPV Central Committee Plenum has analyzed, criticized and rejected.

Centralism must be based on adequate promotion of democracy. Promoting democracy must be aimed at insuring the right to centralized management. These two aspects are of a common nature; they interact and complement each other.

Under the present circumstances, we must counter the bureaucratic-centralist subsidization mechanism. Meanwhile, we must counter liberalism, disorganization, indiscipline and the practice of catering only to local and parochial interests, which weaken the state's centralized and unified management.

In view of the current situation, in order to correctly implement the resolutions of the 8th CPV Central Committee Plenum and the subsequent resolutions of the Political Bureau, we must assign cadres correctly, suiting the requirements of renovation in economic leadership and management.

Cadres' capabilities and qualities must be reflected in the renovation of concepts, of thinking and of ways of doing things, especially in the



renovation of thinking and doing things economic, consistent with the requirement of shifting economic activities to socialist economic accounting and business transactions, with planning as the basis.

We are facing a specific situation. Apart from the advantages, there are a great many difficulties to be overcome. To insure that the dual strategic tasks are accomplished well in the new situation, the consolidation and strengthening of party leadership is of decisive importance. That is our basic lesson.

The aforementioned great lessons from experience help us further grasp the basic contents of the draft Political Report, correctly assess the situation in years past, and define the guidelines, objectives and tasks for coming years. That is also the basis for forming a new economic concept which will also help you, comrades, draw up reports on the situation and tasks of your respective party organizations.

Meanwhile, according to plan, and under the guidance of the Secretariat, you comrades should organize well the gathering of ideas from all-echelon congresses, of our entire party and people to be incorporated into the Political Report which will be presented to the coming 6th National Party Congress.

We should make every cadre and party member keenly understand his tasks, promote democracy, organize serious and frank study and discussion in the party and contribute many precise ideas to the draft Political Report and the draft suggestions for amendments to the Party Statutes.

The Secretariat should guide all party committee echelons in organizing well the gathering, classification and systematization of opinions contributed by party organizations at all levels, and should help correctly integrate important ideas into documents, in order to perfect, and raise the level of, the Political Report to suit the 6th National Party Congress.

The all-echelon party organization congresses must apply ideas, viewpoints and policies mentioned in the Political Report to the specific conditions in each party organization and locality; devise the guidelines, tasks and realistic programs of action for their respective localities and units; do a good job in carrying out the elections to the executive committees of party organizations at all levels; and elect worthy delegates to the national party congress in accordance with the central level's guidance.

To insure the strengthening of the party's leadership and raise its effectiveness, we must attach utmost importance to party-building tasks, to making the party clean, strong and stable and must carry out self-criticism and criticism drives well. By so doing, we will create unity in will and action in the party and among people, and be able to overcome future difficulties and advance further.

Along with making urgent preparations for the national party congress and the all-echelon party organization congresses, we must regularly and firmly grasp, and direct well, urgent upcoming tasks; positively and timely resolve

difficulties in materials and energy, and meet other conditions, in order to accelerate agricultural and industrial production; carry out measures to correctly implement the resolution of the 8th Plenum of the Party Central Committee, Resolutions Number 28 and 31, and the conclusion of the 10th Plenum of the Party Central Committee on prices, wages and money; and quickly carry out draft Resolution Number 306 of the Political Bureau on guaranteeing the right to autonomy in production and business transactions of basic economic units. Meanwhile, we must heighten vigilance, stand ready to cope with the enemy's land-grabbing and sabotage schemes and acts; and firmly maintain national defense and security.

We must strive to overcome all difficulties to insure high productivity and output for the 10th month rice crop, accelerate the production of consumer goods and further improve the distribution-circulation link in order to make the market, prices and the people's lives move in the right direction and to create an enthusiastic atmosphere among the people at the time of the congress. This is at once an economic, political and ideological problem; it is also aimed at achieving further stabilization in the people's lives and their outlook and at insuring success for the congress. Meanwhile, it will create favorable preconditions for the implementation of post-congress work.

This is realistic work for developing the working people's right to socialist collective mastery. It motivates the entire party and people to eagerly emulate one another in fulfilling the 1986 state plan and creates an enthusiastic spirit in scoring realistic achievements in honor of the all-echelon party organization congress and the national party congress.

Dear comrades, with great determination and firm confidence in the success of the party congress, I wish you good health and many new achievements. Please, comrades, convey the kind regards of the Party Central Committee and the Political Bureau to all cadres, party members, compatriots and combatants throughout the country.

May the all-echelon party organization congresses be crowned with success.

Thank you, comrades.

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## OUR SITUATION AND TASKS

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 14-22, 98

[Article by Le Can]

[Text] During the past 5 years, in keeping with the resolution of the 5th Party Congress, our people have recorded enormous achievements and victories in the work of building socialism and defending the fatherland.

In socialist construction, we have recorded important achievements. Since 1981, marked progress has been made in industrial and agricultural production. We have not only stopped the decline in production that occurred in 1979 and 1980, but have also achieved a relatively high rate of development.

During the 5 years from 1981 to 1985, agricultural output increased at the average annual rate of 4.9 percent (during the period from 1976 to 1980, output only rose at the average annual rate of 1.9 percent). Grain output took an important stride forward, from 14.4 million tons in 1980 to 18.2 million tons in 1985. As a result of this advance, we have been able to reduce the amount of grain imported. During the 5 years from 1981 to 1985, our country only imported about 1 million tons of grain. (During the 5 years from 1976 to 1980, our country had to import 5.6 million tons of rice). The production of both annual and perennial industrial crops has developed rather well, reaching 1 million hectares in 1985, a 400,000 hectare increase over 1980. Significant development has occurred in livestock production. In 1985, there were 1.8 million more hogs and 1.2 million more buffalo and head of cattle than in 1980.

Afforestation has exceeded plans, having been completed on 470,000 hectares. Considerable progress has been made in marine products production. In 1985, we caught 800,000 tons of fish. (In 1980, the fish catch only amounted to 550,000 tons). The value of exported marine products was eight times higher in 1985 than in 1980.

The above mentioned achievements in agriculture, the forest industry and the fishing industry were recorded as a result of enacting many new policies, including the product contract policy in agriculture and various policies for the development of livestock production, the fishing industry, the forest industry, the clearing of land and so forth; as a result of the widespread

application of scientific and technical achievements, particularly new crop varieties; and as a result of numerous localities and basic units displaying a spirit of dynamism and creativity and the agricultural support sectors making many efforts.

Despite these large achievements, agriculture, the forest industry and the fishing industry have not met requirements. Agricultural production is not stable or diversified. The production of subsidiary food crops has declined in terms of both the amount of area under cultivation and yields. Industrial crop production has not developed strongly. Centralized, specialized farming areas have been established slowly. The output of some important crops has fluctuated from year to year. The percentage of agricultural products spoiled or lost in storage, transportation and processing is quite high. The quantity of harvested wood delivered to the state has been small compared to the plan. The destruction of the forests is still widespread. The forests are being destroyed and harvested at a faster rate than new forests are being planted or regrowing. The cultivation of marine products (which yields high returns while requiring only a small amount of capital) has not been promoted. The fish catch has increased but the quantity of fish being supplied to many municipalities and industrial zones and to the armed forces has not increased.

During the 5 years from 1981 to 1985, industrial output increased at the average annual rate of 9.5 percent (during the 5 years from 1976 to 1980, industrial output only rose at the average annual rate of 0.6 percent). In 1985, compared to 1980, we produced 1.6 billion more kwh of electricity, 145,000 more tons of phosphate fertilizer, 800,000 more tons of cement, 195 million more meters of cloth, 275,000 more tons of sugar, 31,000 more tons of paper... But the output of some important products, such as coal, wood and cement, has fallen far short of the plan. Industrial output is still far from meeting the needs of the national economy for energy, raw materials, fertilizer, spare parts... Essential consumer goods are still scarce. The quality of many industrial products, particularly consumer goods, has declined.

The value of exports increased by 75 percent during the 5 years from 1981 to 1985 compared to the 5 years from 1976 to 1980 but failed to meet the plan. The annual rate of increase in exports has been very low.

During the 5 years from 1981 to 1985, the gross social product grew at an average annual rate of 7.5 percent and national income rose at an average annual rate of 6.4 percent (during the 5 years from 1976 to 1980, the gross social product grew at an average annual rate of 1.4 percent and national income at an average annual rate of 0.4 percent). The rate of growth of the economy during the past 5 years was noteworthy but failed to meet the demands of production and everyday life and was not commensurate with the real potentials that could have been developed. Of the 28 major socio-economic plan norms set by the 5th Party Congress, only 14 were met or exceeded. The other 14 were not met. Among the plan norms that were not met were some important norms, such as those on the output of grain, coal, cement and wood, on exports..., which affected the activity of the entire economy. The productivity, quality and efficiency of production, particularly within the state-operated economy, are still low and have declined in many areas.



For the prosperity of the fatherland and the lasting happiness of future generations, the people of our entire country have been working with selfless dedication, have made every effort to build the material-technical bases of socialism and have recorded large achievements. During the 11 years since the day that the South was totally liberated and the entire country began the advance to socialism, we have built 300 relatively large projects and thousands of medium and small-scale projects. There are now new material-technical bases of socialism in our country, including a number of important bases in the fields of electric power, petroleum and natural gas production, cement production, mechanical engineering, textile production, sugar production, communications... The value of the fixed assets in the production sector has increased relatively quickly. Our major shortcomings are: the returns from investments are low; decentralization still exists; practically all projects take a long time to build; the scope of unfinished projects is broad and much capital is tied up; the construction of many projects is not balanced or coordinated from the standpoint of energy, fuel, raw materials, communications-transportation and the living conditions of workers; and when construction is completed, only about 50 percent of design capacity (or less) is utilized. Meanwhile, investments have not been made in repairing existing bases or augmenting them with additional machinery.

During the past 5 years, we have also recorded many achievements in socialist transformation, in building and strengthening the new production relations. The largest achievement is that the vast majority of the farmers of Nam Bo, 86.4 percent of farm families and 81.8 percent of farmland, have been brought into collective production, primarily through production collectives (although the quality of these collectives is still low). Another achievement deserving of attention is that members of the ethnic minorities in the Central Highlands have been brought into collective production and a new life has been built for them. One enormous achievement of long-range significance from the standpoint of the development of our country is the virtual elimination of exploiting classes nationwide. The landowner class, compradore bourgeoisie and powerful bourgeoisie in industry and commerce have been abolished. Some small-scale bourgeoisie operate in industry with the permission of the state. However, we are still making mistakes in socialist transformation. As a result, forces of bourgeois commerce continue to operate in many different ways. The wealthy farmer style of exploitation in the countryside and a number of other forms of exploitation still exist.

Due to our shortcomings, particularly shortcomings in the transformation and management of the market, the "free" market accounts for more than 50 percent of the volume of retail goods at a time when the self-employed and private sectors of the economy only produce about 33 percent of the gross social product. Although the state controls the key and vital forces of the economy, the vast majority of materials and the majority of essential consumer goods, it still does not control the market and prices. The quality and efficiency of the state-operated economy have declined. The state-operated economy is weak from the standpoint of playing the dominant role that it should be playing. Within some basic state-operated and collective units, production relations have deviated from what they should be to some extent. These deviations are: the negative phenomena within state-operated commerce; the "guild" character of some state-operated enterprises; the use of "non-

specific" contracts at agricultural cooperatives; and the practice of many basic units in small industry and the handicraft trades of using the name "cooperative" when they are actually self-employed or private units.

In recent years, our state and people have made many efforts to meet national defense and security needs. However, the supplying of grain and food products to troops and materials for national defense needs is still marked by many shortcomings.

Our party and state are fully concerned about the living conditions of the people. During the past 5 years, our country's population grew by another 6 million persons. The per capita production of some primary products increased: grain production increased from 268 kilograms in 1980 to 304 kilograms per capita in 1985; pork production from 8.3 kilograms to 12.5 kilograms; fish production from 10.3 kilograms to 13.5 kilograms; sugar and honey production from 3.2 kilograms to 7.2 kilograms... As a result, we were able to reduce the importation of grain and some essential consumer goods. During the past 5 years, 4 million more laborers were provided jobs within the various sectors of the national economy. The state built 2.1 million square meters of housing, 1.1 million square meters of which were built in industrial zones and municipalities. In rural areas, housing construction is being accelerated. Education and public health have developed. General school enrollment rose from 11.5 million students in 1980 to 12.4 million in 1985. During the past 5 years, the number of hospital beds increased by 12,400.

The standard of living of the majority of farmers has been improved from the standpoint of food and shelter but there are still some farmers who lack food and who are still experiencing other shortages in their everyday lives, particularly in areas that have been hit by many natural disasters and in remote, wilderness areas.

The living conditions of cadres, manual workers, civil servants and the armed forces have worsened. Real wages have declined. Essential goods frequently cannot be supplied.

Generally speaking, the standard of living is unstable. Millions of laborers, including hundreds of thousands of persons reaching work age in the cities, are unemployed. The majority of persons who have a job do not have enough work. Many legitimate material and cultural needs are not being met. Our major mistake is that we have allowed unfair distribution to continue to become more widespread. Cadres, manual workers, civil servants, the armed forces and honest laborers--the pillars of socialism--are encountering the most difficulties in their everyday lives. Meanwhile, the number of merchants is too high and many persons are earning a high income. Persons who earn their livings illegally and persons who steal have a much higher standard of living than persons who support themselves through their own honest labor.

Under the leadership of the party, our armed forces and people have won large victories in the cause of defending the fatherland. Following their defeat in the war of aggression against our country in February 1979 and in conjunction with the continuation of their wide-ranging war of sabotage, the Chinese expansionists and hegemonists launched a form of border war of encroachment

and occupation against Vietnam. In April 1984, they escalated this war in a phase of military operations that focused on occupying land along our country's northern border. The long-range plan of the Chinese expansionists and hegemonists is to weaken our forces, impede our people's socialist construction and thwart us in our effort to fulfill our international obligation to Laos and Cambodia. In coordination with the U.S. imperialists and other reactionary powers, they have carried out a scheme of economic encirclement and sabotage against Vietnam, intensified the psychological war in a vain attempt to sow confusion among our people, inserted intelligence agents and spies into our country and organized reactionary gangs in a futile effort to foment insurrection and undermine our social order and safety.

The Chinese expansionists and hegemonists and the U.S. imperialists consider Vietnam, Laos and Cambodia to be a main target in their counter-attack against the forces of national independence, democracy and social progress. Therefore, they have coordinated their strategies for attacking our country and the two fraternal countries on the Indochina peninsula.

The fight waged by our armed forces and people against the Chinese expansionists and hegemonists along the northern border has been a bitter fight. Our party has adopted the correct strategy of building increasingly solid defensive positions, defending each bit of soil of the fatherland and employing effective methods of fighting. As a result, we have inflicted many losses upon the enemy.

We have taken a step toward defeating the schemes and tactics of the enemy in their war of sabotage. We routed the FULRO reactionaries and have broken up many other reactionary organizations. We have caught thousands of spies and intelligence agents...

We have started the work of building a national defense system in which all the people participate. We have established and strengthened the battlefield deployment of the people's war nationwide and within each locality. We have improved the quality of the regular army, revamped the organization and management of the three elements of the military and developed militia and self-defense forces. Combining the economy with national defense, the army's participation in economic construction has begun to produce a number of results. While defending our fatherland, we have also coordinated our strategy with the two fraternal countries of Laos and Cambodia, thereby maintaining the common security of all three countries of Indochina. Our armed forces and people have fulfilled their international obligation to the two fraternal countries, strengthened our strategic alliance in many different fields and created a fine situation on the Indochina peninsula.

In summary, during the past 5 years, we have won large national defense and security victories, defended the fatherland and fulfilled our international obligation. Our heroic armed forces have performed the tasks assigned them by the fatherland and the people well. Following more than 40 years of fighting continuously and enduring countless hardships and sacrifices, our people have continued to display a high degree of revolutionary heroism and have tenaciously fought to defend the fatherland, defend the gains of their revolution.



The above mentioned victories were won as a result of our party adopting correct positions concerning national defense and security. However, we have also committed a number of shortcomings in the guidance we have provided: the spirit of vigilance is not high and not all the people have been mobilized to effectively resist the enemy's war of sabotage, particularly their economic and ideological sabotage. In the leadership they have provided, many party committees have failed to closely combine the two strategic tasks and have not provided the armed forces with a stable standard of living. Many places have not attached appropriate importance to army rear area work and many negative phenomena are still being allowed to occur.

Having reviewed the performance of the two strategic tasks set by the 5th Congress of the Party, we are fully justified in saying that, during the past 5 years, we recorded large achievements and victories in the cause of building socialism and defending the fatherland. We recorded these achievements under complex circumstances and despite a number of mistakes and shortcomings on our part. Viewed from an overall perspective, the achievements recorded by our people in socialist construction and the defense of the fatherland, in the performance of their national tasks and the full number of mistakes and shortcomings on our part. Viewed from an overall perspective, the achievements recorded by our people in socialist construction and the defense of the fatherland, in the performance of their national tasks and the fulfillment of their international obligation during the past 5 years have been large. With these achievements, the cause of revolution in our country has acquired new factors that will enable the advance of this cause to continue.

The achievements and victories mentioned above were recorded as a result of many different reasons. Below are the primary reasons:

First, they were recorded as a result of the party's adoption of correct lines. The general line on the socialist revolution and the line on building the socialist economy during the period of transition that were set by the 4th Congress of the Party are correct and creative. The targets and major policies in the initial stage of this period that were adopted by the 5th Party Congress to augment and concretize the general line are correct. After the 5th Party Congress, the Party Central Committee issued many important resolutions, particularly the resolutions of the 6th and 8th Plenums on dismantling the mechanism based on bureaucratic centralism and state subsidies and establishing the new mechanism in economic management.

Secondly, they were recorded as a result of the dynamism and creativity displayed by many party organizations, by cadres and party members in applying the lines and policies of the party and state.

Thirdly, they were recorded as a result of our armed forces and people working diligently and fighting bravely. Despite a smaller supply of materials than previously, repeated natural disasters and many difficulties in their everyday lives, workers, farmers and intellectuals produced a volume of products that was markedly larger than the volume produced during the preceding 5 years. The soldiers of the armed forces endured countless hardships and fought tenaciously and intelligently.

Fourthly, we received valuable international assistance and support from the fraternal socialist countries, from friendly countries and many international organizations. In particular, we received enormous, effective assistance in every field from the Soviet Union and enjoyed the assistance and militant solidarity of Laos and Cambodia.

Although our armed forces and people have recorded large achievements and victories, our country still faces many acute difficulties:

--Although the volume of products has increased, productivity, quality and efficiency are very low and have even declined in some areas. Not much wealth is being produced. There are shortcomings in the management of distribution and some of the capital we borrow each year must be allocated to social consumption. Capital formation is not being carried out from within the national economy.

--Agricultural production and industrial production are still unstable. Very few production units possess all the material conditions they need to utilize their existing capacity well.

--The disorder on the circulation and distribution front that has existed for many years, particularly since October 1985, has now become serious and is having a negative impact upon production, the standard of living and society. The imbalances between exports and imports, between supply and demand, between goods and money and between revenues and expenditures are steadily growing. The transformation and management of the market have frequently been lax.

--Millions of laborers do not have a job. The lives of laborers are still hard. Negative phenomena in society are continuing to spread. Some ethical and spiritual values that have been established for many years are being eroded. Party discipline and the law are not being strictly enforced.

We have yet to meet the targets set by the 5th Party Congress of stabilizing the socio-economic situation and stabilizing the living conditions of the people.

The causes of this situation are many.

Objectively, the causes are these: our country is advancing to socialism from small-scale production and its material-technical bases are poor. The consequences of the war and neo-colonialism have been serious. We still must continue to perform the two strategic tasks and fulfill our international obligation, consequently, expenditures on national defense have not been small. The attack by the enemy has been very barbarous and cunning...

Subjectively, the causes have been the following: we have made many mistakes in evaluating the situation and selecting targets, in determining and building the structure of the economy, in building the economic management mechanism, in circulation and distribution, in the struggle between the two paths and in ideological and organizational activities.

While not giving light attention to objective causes, we must admit that the main causes have been the mistakes that we have made.

When we embarked on the stage of the entire country advancing to socialism, our party quickly defined a number of basic issues concerning the line on the socialist revolution. However, we did not proceed on the basis of these gains in theory to research and summarize practice or the new problems arising in the course of development of the revolution and promptly correct incorrect thinking concerning the specific issues involved in socialist construction. This has been our major shortcoming in ideological work.

Our ideological work has also contributed to the achievements of the revolution. However, many mistakes have been made in this work: the selection and assignment of cadres to leadership agencies on the various levels have been marked by many shortcomings, are still based on old concepts, have not met the requirements of changing the structure of the economy and the management mechanism and have allowed the apparatus of the state, the party and the mass organizations to become too large and ineffective. Organizing implementation continues to be a very weak area. The style of leadership and work methods are marked by entrenched bureaucracy, are far removed from practice and the masses and violate the principles of party life, particularly the principles of democratic centralism and collective leadership with personal accountability.

Many regulations concerning the work methods of the party and state are not being scrupulously observed. The failure to clarify some matters concerning the functions and assignment of cadres and the work methods and working relationships of party committees and administrations has affected the implementation of lines and policies to a considerable degree. There are many shortcomings in the way that information is organized, in the way staffs are used, in the standards for preparing and approving decisions and in the way that implementation is organized.

The fact that the discipline of the party and the order of the state have been lax in recent years has also been a direct cause of the reduced effectiveness of leadership agencies.

In the approximately 15 years between now and the end of the 20th century, Vietnam's revolution will continue to develop against the background of an international situation that affords us basic advantages but which is also complex in many respects. The three revolutionary currents of our times have won new, large victories and are on the strategic offensive. The forces of the socialist system, the pillar of which is the Soviet Union, have been constantly strengthened in every field and are advancing toward a new and highly dynamic stage of development.

However, the imperialists still possess powerful material forces and are coordinating their strategies in an intense counter-attack against the forces of revolution and peace. The danger of an annihilating nuclear war, for which the imperialists, headed by the U.S. imperialists, are frantically preparing, has never been as large as it is today. But, the struggle being waged by the forces of revolution and peace is capable of reducing this danger. However,

the United States and the international reactionaries have not abandoned their imperialist and hegemonist goals. They continue to pursue a policy of instigating wars and local conflicts in many regions, thereby constantly poisoning the international atmosphere. Generally speaking, the world situation will remain in a stage of confrontation and tension intertwined with situations that are entirely local and temporary. In Asia and the Pacific, the U.S. imperialists are pursuing a dangerous strategy aimed at establishing a kind of Eastern NATO that is against the Soviet Union, against the other socialist countries, against the peace movement, national independence and democracy within the region. The United States is seeking ways to strengthen its relations with the ASEAN countries, expanding their military bases in the southern Pacific, preparing to re-establish U.S. military bases in Thailand and collaborating with China against Vietnam, Laos and Cambodia.

Unwilling to accept defeat, the Chinese reactionaries continue to pursue the dangerous, long-range scheme of conquering and annexing the three countries of Indochina in a vain attempt to turn this important peninsula into a springboard for carrying out their strategy to expand down into Southeast Asia. China is cooperating in many fields with the United States, Japan and other Western countries in order to realize its insane ambition of rapidly making China a superpower that is fully capable of competing to be ruler of the world. China's basic foreign policy continues to be one of closely collaborating with the United States and the other imperialist countries. At the same time, it is employing the tactic of taking advantage of all types of antagonisms, particularly the antagonisms between the two opposing systems, to serve their selfish interests.

In the case of Vietnam, the Chinese reactionaries will increase their military pressure and continue to carry out attacks along the border and wage a wide-ranging war of sabotage by means of increasingly sophisticated and cunning tactics. Our country continues to be in a situation in which it is at peace but must contend with the border war of encroachment and occupation, the scale of which varies. At the same time, we must constantly deal with the enemy's wide-ranging war of sabotage.

To maintain the independence and freedom of the fatherland and the political security of our people, our entire party, all our people and all our armed forces must strengthen their unity, display a high degree of patriotism, revolutionary heroism and self-reliance and devote the full measure of their spirit and forces to continuing the successful performance of the two strategic tasks of successfully building socialism and firmly defending the socialist Vietnamese fatherland.

While performing these two strategic tasks, we must continue to strengthen and develop our special alliance with the two fraternal countries of Laos and Cambodia and do our very best to strengthen our militant solidarity and improve the quality and effectiveness of our cooperation in every field with the great Soviet Union.

Our party has set forth correct lines on the revolution. The 4th Congress of the Party set the general line on the socialist revolution and the line on building the socialist economy in our country. The 5th Party Congress charted



our course in the initial stage of the period of transition and decided the guidelines for socio-economic development in this stage.

To successfully complete the remaining tasks in the initial stage, the upcoming congress of the party will concretize these lines in specific tasks and targets that are consistent with the socio-economic situation in the years ahead.

According to the draft of the Political Report to be presented by the Party Central Committee at the 6th Congress, these tasks and targets are:

1. Stabilizing and developing production, most importantly agricultural production. Restructuring and coordinating basic industrial units in order to make the best possible use of existing production capacity with the aim of supporting the effort to accelerate agricultural production and the production of consumer and export goods. Focusing all efforts on meeting the pressing and vital needs of society and gradually stabilizing and eventually improving the material and cultural lives of the people.

2. Bringing about a significant social change: insuring that the laborer has a job and that distribution to the laborer is correct. Establishing social fairness in a manner consistent with the specific conditions that exist today and reducing the excessive differences in the standard of living that exist among the various population groups. Establishing wholesome social relations and a wholesome way of life and overcoming negative phenomena. Maintaining and building upon revolutionary ethical values and traditions and insuring that everyone, particularly youths, works in an enthusiastic and creative manner, lives a cultured life based on ideals and is committed to the future of the revolution and the fatherland.

3. Carrying out capital formation from within the economy. Making effective use of borrowed capital and aid in the construction of additional material-technical bases of socialism, particularly in energy and infrastructure projects, and establishing the conditions needed to accelerate industrialization in the next stage.

4. Virtually completing socialist transformation by means of appropriate forms and methods. Establishing, in a way that is well coordinated, the new management mechanism, which makes the plan the center of operations and implements economic accounting and socialist business practices in exact accordance with the principle of democratic centralism.

5. Insuring that the needs involved in strengthening our national defense and security are met.

While attaching foremost importance to socialist construction, we must also make the greatest possible effort to firmly defend the socialist fatherland. We must heighten our vigilance, maintain combat readiness and fight well. We must be determined to win victory over each form of the enemy's border war of encroachment and occupation and their wide-ranging war of sabotage. We must win large victories for the cause of defending the fatherland, maintain our political security and social order and safety and fulfill our international

obligation to the revolutions of the two countries of Laos and Cambodia well. To carry out these important strategic tasks, it is necessary to display high revolutionary heroism and perform the following large jobs well:

--We must strengthen and complete the defense system along the northern border and in other strategically important areas in order to defeat attacks conducted by the enemy in order to encroach upon and occupy land of ours, defeat each act of military escalation and be prepared to deal with a large-scale war of aggression.

--We must build the national defense system and the strategic rear area with the aim of moving ahead in the following areas: providing an education in national defense; building reserve forces; strengthening the system of combat villages, district military fortresses and defense lines; and formulating mobilization plans and preparing the country for every situation.

--We must build people's armed forces that are strong and solid in every respect; build a regular, people's army that is of increasingly high overall quality, is armed with increasingly modern weapons, has a rational, efficient and strong organization and is well trained; and build powerful reserve forces and widespread militia and self-defense forces that are of high quality.

We must coordinate the efforts of all sectors and levels, from the central to the local levels, of the people and the army in order to meet the needs of combat and combat readiness, meet the essential material and spiritual needs of the armed forces better with each passing day. The army's rear area policies must be implemented correctly.

--We must build and develop the national defense industry. We must combine the economy with national defense, national defense with the economy.

--We must practice strict frugality in national defense expenditures and in each activity of the armed forces.

--Maintaining political security and social order and safety in a manner closely linked to strengthening the national defense system is an extremely important task in winning victory over the enemy's wide-ranging war of sabotage. We must strengthen the leadership provided by the party and struggle to overcome the lack of vigilance and the lax discipline and compliance with the law on all levels and in all sectors. We must utilize the combined strength of each force and piece of equipment and organize the fight we are waging in a thorough and resolute manner at all basic economic and cultural units, in all population centers and strategically important areas...in order to combat the enemy's economic, political and ideological sabotage, psychological warfare and intelligence and espionage operations.

In conjunction with protecting ourselves and struggling against the enemy on all fronts, we must give our attention to developing the people's public security forces into revolutionary forces that are increasingly pure, solid and strong in every respect, are loyal to the fatherland, the party and the people, meet high professional standards, have a solid base among the masses and are truly an effective instrument of the socialist state.

Our party is urgently making preparations for its 6th Congress. The upcoming congress will review the implementation of the resolutions adopted by previous congresses, correctly evaluate the work we have performed over the past 5 years, analyze what has and has not been accomplished, draw necessary conclusions, correctly assess the status of our country's revolution today and provide precise solutions to problems in order to continue the advance of our country's revolution.

Each of our cadres and party members must see what our country's overall picture is, must adopt a correct point of view when evaluating the situation, must see the achievements and victories that our armed forces and people, under the leadership of our party, have recorded through arduous, steadfast and brave struggle and after much sweat and bloodshed. At the same time, we must be fully aware of our mistakes and shortcomings so that every effort is made to correct them. Only in this way can we continue to advance our country's revolution to new achievements and victories.

Each of our cadres and party members must clearly see what the status of our country's revolution is today, see the advantages in our favor as well as the difficulties we face, see the direction being taken by the revolution and correctly understand the common tasks of the revolution as well as his or her own task.

When assessing the situation, the attitude and method of each of our cadres and party members must be wholly consistent with the views of the party. Only by correctly evaluating the situation can we establish correct targets.

Only by adhering to the views of the party can we clearly understand the situation and tasks of the revolution. Correctly understanding the situation and tasks, this is the basis for achieving stronger consensus within the party and increasing the party's fighting strength.

Therefore, each of our cadres and party members must fully adhere to the views of the party in order to gain a correct understanding of the situation and tasks of our country's revolution at this time.

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CONCERNING OUR SOCIO-ECONOMIC GUIDELINES AND TASKS DURING THE YEARS FROM 1986 TO 1990

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 23-30, 43

[Article by Tran Kiem]

[Text] On the basis of the current socio-economic situation and the requirements of the revolution in the years ahead, the general target for the remaining years of the initial stage of the period of transition to socialism in our country can be defined as follows: basically stabilizing the socio-economic situation, the most important aspects of which are stabilizing and developing production, stabilizing the market, prices and the financial and monetary systems and stabilizing and partially improving the standard of living of the laboring people while making a determined effort to correct the mistakes of recent years and create the conditions for accelerating socialist industrialization in the next stage.

The 1986-1990 Five Year Plan is a decisive step in meeting this general target. The plan encompasses the following matters of important significance:

1. Correctly arranging the structure of production and the structure of investments.

To successfully implement the general guidelines on the development of production that have been set forth in the economic line of the party, it is necessary to restructure production within the various sectors of the economy and areas of the country and correct irrational aspects of production guidelines and investment guidelines.

To begin with, it is necessary to develop a diversified agriculture (one consisting of agriculture, forestry, fishing and the product processing industries of these sectors). Priority must be given to agriculture, especially priority in the areas of capital, materials and energy. To achieve this objective, it is necessary to tie agriculture and industry to exports and imports within each locality and nationwide, combine the transformation of production relations with the development of production forces and apply scientific and technical advances.

A well coordinated program must be established on the development of grain and food product production. We must endeavor to increase the output of grain to 23-24 million tons, increase per capita grain consumption to roughly 330-360 kilograms and increase the production and supply of the most important food products by 50 to 100 percent by 1990. The structure of grain and food product production must effectively support the effort to improve the diet in a manner consistent with the characteristics and conditions of each area. To do this, it is necessary, in addition to taking other technical measures, to import an adequate quantity of nitrogen fertilizer and necessary pesticides and strongly develop livestock and poultry production in the household, collective and state-operated sectors.

To develop the production of industrial crops of all types, it is necessary to rapidly expand the cultivation of annual crops and steadily develop the production of perennial crops. We must fully support the programs under which we are cooperating with the fraternal countries. During the next 5 years, the amount of area under the cultivation of industrial crops must be increased by 1 million hectares.

As regards forestry, the thrust of our efforts must be to protect existing forest resources and quickly increase the amount of area covered by forests. We must stop the destruction of the forests and prevent forest fires.

Importance must be attached to both cultivating and catching marine products with the aim of achieving an output of 1 million tons by 1990. We must gradually upgrade the sea economy to the status of an important production sector.

In light industry, efforts must be made to produce enough common consumer goods to stabilize the standard of living of the people, establish balance between goods and money and provide the state with enough goods to trade with farmers. Attention must be given to expanding our contract work for foreign countries, beginning with the Soviet Union and the other socialist countries. We must accelerate the production of such important products as cloth, paper, medicine, building materials, household utensils, learning aids, items used in cultural activities, children's toys, public health implements and physical culture-sports equipment. By 1990, we must be producing 430-450 million meters of cloth and 120,000 to 130,000 tons of paper per year.

To do this, we must attach special importance to resolving the raw material problem and must develop both state-operated industry as well as small industry and the handicraft trades.

The building and development of heavy industry and the communications-transportation sector must be designed to support, first and primarily, agriculture and light industry while making preparations for the acceleration of industrialization in the next stage.

On the basis of this general guideline, priority must be given in the building of heavy industry to the development of energy, which includes electric power, coal and petroleum-gas. We must endeavor to achieve an output of 8-9 billion kwh of electric power and 7.5-8 million tons of washed coal by 1990. We must

accelerate the exploration for and development of petroleum and natural gas on the continental shelf in the South. We must give priority to supplying energy to meet key economic and social targets and must practice strict frugality in the use of energy.

In the raw material and building material industries, the fullest possible use must be made of existing production capacity. New construction must be carefully considered and importance must be attached to medium and small-scale units.

We must restructure the machine industry nationwide. Long-term planning must be formulated. Joint businesses and cooperation with the CEMA bloc must be intensified in order to develop the machine industry and the electronics industry.

More importance must be attached to the development of the communications-transportation sector and the infrastructure supporting production, everyday life and national defense. Priority must be given to developing water route transportation, strengthening rail transportation and restructuring highway transportation. We must open additional domestic air cargo lines and a number of lines overseas. We must improve the quality of information and liaison and develop the post-telecommunications network in the mountain provinces and important production areas.

Arranging the structure of the production of the various sectors must be combined with distributing production in a way that is rational among the different areas of the country in a manner consistent with the natural, economic and social conditions and the strategic position of each. Guidelines and a plan for socio-economic development must be adopted for each important area of the country, such as the capital Hanoi, Ho Chi Minh City, the midland and mountain provinces of the North, the Red River Delta, the provinces of northern Trung Bo, the Central Highland provinces, the central coastal provinces, Eastern Nam Bo and the Mekong Delta.

In arranging the structure of the economy, importance must be attached to building the district so that the district economy develops in a well balanced manner, from production to processing and marketing, and to establishing a correct division of management responsibilities so that the district is the master of production, distribution and circulation, looks after the living conditions of the people and maintains combat readiness.

In capital construction, an effort must be made to invest all capital borrowed from foreign countries, all foreign aid and all capital in form of capital depreciation in construction so that we can begin and gradually increase the formation of capital from within our country's economy. Investment capital must be increased by roughly 35-40 percent compared to the 5 years from 1981 to 1985. The scale of construction must be rational, must be consistent with the actual capabilities of the country. The focus of investments must be correctly defined. Investments must be made in an order of priority: capital must be concentrated on key projects and targets, namely agricultural

production, consumer goods and exports. Priority must be given to investing in intensive development and the coordination of existing production capacity...

## 2. Planning population growth and providing jobs.

Sharply reducing the rate of population growth is a pressing requirement of special importance in the life of the nation today and in the future, is a basic prerequisite to fulfilling socio-economic targets and tasks in the years ahead. An intense effort must be made to reduce the rate of population growth to 1.7 percent and meet the target of a population of less than 66 million in 1990.

To achieve real results, the state must set correct policies and procedures, ones that have an impact upon each specific category of concerned persons in each area. Appropriate investments must also be made in rapidly expanding the birth control technical support network.

To strongly develop the potential sources of labor in society, providing jobs, most importantly to youths, is the foremost socio-economic task in the years ahead. The main guidelines for providing jobs are to accelerate socialist commodity production and make full use of the potentials of the different segments of the economy.

We must expand the local trade sector in order to absorb the majority of surplus labor and new labor while boldly redistributing labor to other areas. During the next 5 years, we must relocate approximately 1 million laborers and 2 million other persons. Together with redistributing labor, we must make an effort to complete the settlement of nomads in the mountain provinces by 1990. We must promulgate and implement a Labor Law.

We must encourage and create the conditions for basic units to find additional work so that they can hire additional labor. We must expand the production of export goods under contracts with the Soviet Union and the other fraternal countries. We must expand our labor cooperation with foreign countries and combine this cooperation with training in manual skills. We must sharply reduce the size of the administrative management labor force and the indirect production labor force.

## 3. Controlling circulation and distribution.

The situation that exists today demands that we establish and build socialist order on the social market, beginning on the organized market. By employing every type of measure at its disposal, mainly economic, socialist commerce must gain control over practically all wholesale sales, control the majority of retail sales and control the market and prices. The state must have a monopoly in the grain business, the business in strategic materials and the business in essential consumer goods.

We must continuously transform and manage the market and do so in a manner closely linked to transforming and reorganizing production. There must be harsh punishment for acts of economic sabotage, speculation and



black marketing. We must also harshly punish persons who conspire, steal and move goods from the state-operated economy to the outside.

The "free" market, which currently exists to the extent necessary and within a given scope, must be controlled and managed so that it augments rather than opposes the organized market.

On the basis of developing production and controlling the market, we must gradually stabilize prices and stabilize the standard of living.

The state must set and manage prices with a view toward developing production and building enthusiasm among laborers to produce. The system of state prices must be planned and scientifically based, must be based on the correct application of objective economic laws. The central state must retain the right to set the prices of primary materials and goods that are sold nationwide and assign to the provincial and municipal administrations the authority to set the prices of secondary goods that are produced and marketed within the locality.

In the immediate future, every effort must be made to correctly implement the price principles, policies and measures set forth in the resolution of the 8th Party Plenum and the subsequent resolutions of the Political Bureau.

We must correct the practice of allowing prices to float as well as the practice of setting and managing prices in a rigid fashion. Price management discipline must be strengthened on the basis of setting correct prices and establishing a rational division of labor and responsibilities.

We must adopt a national financial policy aimed at developing, to the highest degree possible, each source of capital at home (including capital of the people) and abroad and concentrating this capital in the hands of the state in order to develop production and build material-technical bases in a planned manner and with increasingly high productivity, quality and efficiency.

We must collect all revenues from existing sources and create new sources of revenue on the basis of developing domestic production and business and expanding the overseas economy. Expenditures must be in line with needs and consistent with revenue capabilities. To reduce and eventually eliminate the budget deficit, determined steps must be taken to cut those expenditures that exceed revenue capabilities. We must appropriately regulate the income of private merchants and seize the income of persons who earn their livings dishonestly. Financial management responsibilities must be assigned to the localities on the basis of unifying our financial management nationwide.

The operations of the bank must be quickly revamped. In addition to the state's functions of issuing and managing money, the bank must do business in money through the system of specialized banks and promptly meet the needs for capital for production and business. We must tightly manage cash, expand the use of checks in payment transactions and make widespread use of various forms of credit among the people.

Our policy on overseas compatriots must be revised with a view toward attracting foreign currency, attracting capital from outside the country and encourage overseas Vietnamese to make investments and help build the country.

Positive steps must be taken to achieve a balanced budget that is stable both financially and monetarily by the final years of the 1986-1990 plan, thereby creating the conditions for stable development in subsequent years.

#### 4. Accelerating socialist transformation and improving the quality of the new production relations.

Between now and 1990, we must continue to promote this important work with a view toward stimulating the development of production forces.

As regards small producers (in agriculture, the forest industry, the fishing industry, small industry and the handicraft trades), the main guideline is to educate and gradually encourage them to join collective production through increasingly high forms of organization, all based on the principles of voluntary association, mutual benefit and democratic management. We must avoid acting in haste and avoid formalism, which harm production and the life of the people. In the case of the private economy, which will continue to exist in the process of transformation and after transformation, correct management policies and measures must be applied to utilize and guide this segment in helping to create jobs and stabilizing and developing production.

As regards private industry and commerce, the general policy is: to transform and make use of private, capitalist industry in a variety of ways: transforming businesses into state-operated units, joint public-private enterprises or cooperative enterprises. In certain sectors and trades, mainly the production of consumer goods, the state should allow private individuals to develop production and place them under state inventory and control.

The bourgeoisie must be completely removed from commerce.

Small and medium-size merchants must be reorganized, transformed and utilized through many different forms of organization, with those who are not needed as merchants gradually being shifted to production and the services.

The general guideline in socialist transformation is to combine transformation and building, with the emphasis on building.

Of utmost importance is the need to strengthen the forces of socialism so that the state-operated economy and the collective economy dominate and control the national economy. We must develop and improve the state-operated economy and the collective economy in every respect and encourage the development of the household economy to augment the state-operated economy and the collective economy.

#### 5. Widely applying scientific and technical advances.

We must use science and technology as a moving force and a powerful material strength in the development of our country's economy. The strategy for the

development of science and technology must be one phase of the strategy for long-term socio-economic development and must set the direction to be taken in scientific and technical work.

In the years ahead, we must organize the rapid and widespread application of scientific and technical advances in production, everyday life and the improvement of management. Science and technology must make large contributions toward the fulfillment of socio-economic targets and tasks and must support the efforts to reorganize production, revamp the management mechanism, raise the productivity, quality and efficiency of production and business and practice frugality.

Guidelines and tasks of a very practical nature must be set with regard to scientific and technical work within agriculture, industry, building, communications-transportation and the service sectors.

A portion of our forces must be devoted to carrying out a number of selected research projects in the modern fields of science and technology, such as the biology industry, new building materials and processes, electronics and information theory... We must avail ourselves of cooperation with the CEMA member countries in order to resolve immediate problems and must take the initiative in preparing scientific-technical premises for changing the structure of the economy in later years.

The natural sciences must promote goal-oriented research into subjects that are closely associated with the natural resources and tropical natural conditions of our country and the Vietnamese people. It is necessary to conduct basic research while attaching importance to applied research in order to gradually establish the leading fields of science and technology of our country.

The social sciences, Marxist-Leninist science, the science of economics and management science must help to answer the pressing questions in the country's life while organizing systematic research into the basic issues of socialist construction and the major issues of our times, which we can and must address.

We must establish and organize the successful implementation of key programs associated with socio-economic targets.

To implement the guidelines and perform the tasks mentioned above, it is necessary to reorganize and make more effective use of our scientific and technical forces and even encourage contributions to the building of the country by overseas Vietnamese intellectuals. Scientific agencies must also be restructured with the aim of creating favorable conditions for carrying out the research to production process as quickly as possible.

We must train and build a large and well coordinated corps of scientific and technical cadres who possess all the necessary qualities and skills, with importance attached to the training of leading cadres. Investments in science must be increased. We must expand and increase the effectiveness of international cooperation in the fields of science and technology and must closely tie this cooperation to economic cooperation.

The new economic management mechanism demands and encourages the introduction and widespread application of scientific achievements and technical advances in practice.

We must institute weights and measures inspections and standardization, particularly quality control in production, in circulation-distribution and for export goods.

The mass movement to launch attacks on the science and technology front must be promoted.

#### 6. Expanding and increasing the returns from the overseas economy.

Developing the overseas economy is a major strategy of the party and state.

The overseas economic policy of our country is, first and primarily, to expand our cooperative relations in every field with the Soviet Union and the CEMA member countries, with the two fraternal neighboring countries of Laos and Cambodia. On the other hand, we seek to expand our economic and scientific-technical relations with the countries of the Third World, the developed industrial countries, international organizations and private foreign parties on the basis of the principles of equality and mutual benefit.

As regards exports, we must make concerted, well coordinated investments, enact policies that provide broad incentives and establish a tight organization and close management so that we can export various products and have sources of primary exports that are of high quality. In the next 5 years, we must nearly double the value of our exports and overseas services.

We must flexibly employ a variety of overseas economic activities, such as cooperation in production and the coordination of investments; product trade; scientific and technical cooperation and the training of cadres and workers; the development of tourist activities; labor cooperation, international transportation, ship supply services...

We must implement the principles of the state exercising a monopoly in foreign trade and the central level exclusively managing foreign trade and foreign exchange. We must create the conditions for large exporting units to approach customers in foreign countries.

Each import activity must be consistent with and support socio-economic targets and the tasks and norms of the state plan. We must closely manage imports and make economical and effective use of the various sources of foreign currency and the various types of import goods.

We must promulgate an Investment Law and create favorable conditions for investments by foreign countries.

We must promote economic cooperation of many different kinds with Laos and Cambodia, including a division of labor and cooperation in production and the coordination of investments with the aim of insuring that the economies of all three fraternal countries on the Indochina peninsula benefit and develop well.



Of decisive significance in performing good overseas economic work are the establishment of strong overseas economic organizations and the training of a corps of overseas economic cadres who possess good personal qualities and are truly competent.

#### 7. Revamping the economic management mechanism.

The purpose of revamping the economic management mechanism is to build the spirit of ownership of the laboring people under the centralized management of the state in order to develop the economy with increasingly high productivity, quality and efficiency.

The basic thinking behind the revamping of the economic management mechanism is to dismantle bureaucratic centralism and state subsidies and shift entirely to economic accounting and socialist business practices.

The new management mechanism must creatively apply the following fundamental principles:

--It must correctly implement the principle of democratic centralism in economic management and the principle "the party leads, the laboring people exercise ownership, the state manages" at each basic unit, on each level and nationwide.

--It must make the plan the center of operations, implement economic accounting and socialist business practices and correctly apply the objective economic laws that are having an impact upon our country's economy, which include the characteristic laws of socialism and the laws of commodity production.

--It must closely tie authority to interests, responsibility to obligations, combine the three interests in a way that is well balanced and implement the principle of distribution in accordance with labor.

--It must combine the use of the various measures in management, with economic measures playing the basic role. It must uphold discipline and the socialist system of law, particularly economic law.

--It must combine management by sector with management by locality and territory, combine state administrative management with production and business management.

In order for planning to increasingly have a decisive impact upon economic development in accordance with correct guidelines, it must be scientifically based. The planning of production, especially the production of consumer goods, must be based on the needs of society. And, planning methods must be consistent with the country's economic situation. These methods must be consistent from the standpoint of basic principles. At the same time, they must be very flexible and diverse, must be compatible with the special conditions of each sector and each locality, that is, must be both direct and indirect methods, must utilize the system of legal norms and directed norms to an appropriate degree while attaching importance to using economic levers to

guide basic production and business units in accordance with the guidelines and targets of the state plan.

The new management mechanism, which is closely linked to the new structure of the economy, must insure that all three levels, the central level, the local level and the basic level, are the masters of the economy. While guaranteeing the production and business independence and establishing the financial autonomy of the basic unit, the new management mechanism must insure that the central level resolves the key issues, controls the basic balances and controls the primary products of the national economy. At the same time, it must vigorously develop the ownership role of the locality, particularly the district level.

The administrative-economic management agencies on all levels must be streamlined, the size of administrative staffs must be reduced and economic and scientific staff organizations must be strengthened.

#### 8. Carrying out cultural and social development.

In the years ahead, it is necessary to develop education and training in the direction of improving the quality and increasing the effectiveness of education and training so that they meet requirements, are consistent with our ability to build the economy, combine learning with productive labor and forge and cultivate the new man.

We must continue the reform of the general school and trade training education system. We must gradually popularize basic general school education and train the majority of basic general school graduates as technically skilled laborers representing a rational structure of sectors and trades. Curricula must encompass both academic knowledge and work skills.

We must improve the quality of college, vocational middle school and post-graduate education and combine teaching and learning with scientific research and productive labor.

The training objectives of all levels of education and all types of schools must be consistent with assigned tasks. Attention must be given to teaching aesthetics, cultivating physical fitness and teaching national defense subjects. Importance must be attached to teaching politics, ideology, revolutionary ethics and the law at schools.

We must gradually complete the national education system so that it meets the cadre needs of the various sectors and areas as well as the need to raise the level of education and the occupational standards of the laborer.

We must build the corps of teachers, elevate the position of the teacher in society and support the material and spiritual lives of teachers. Attention must be given to the living conditions of students at boarding schools and an appropriate scholarship policy must be enacted.

The quality of cultural work, literature and art must be improved in many different areas, particularly in the areas of ideology and educational value.

We must struggle to abolish the remnants of feudal culture, colonialist culture and bourgeois culture and promptly expose and defeat the schemes and actions employed by the enemy to use culture, literature and art to sow the seeds of pessimism in our society and spread various types of reactionary thinking and a decadent way of life. We must eradicate superstitious beliefs and practices, combat corrupt customs and spread the new, civilized way of life.

We must build the corps of persons working in the fields of culture, literature and art and look after their material and spiritual lives. A correct subsidy policy must be enacted for art units. We must cultivate in writers and artists the communist philosophy of life and the scientific world view; overcome the negative phenomena in art activities; and reorganize and improve the mechanism and mode of management of this work.

We must develop the system of libraries, clubs, cultural centers, museums and tradition halls. We must do an even better job of publishing and distributing books and newspaper and must strongly improve the mass media. Appropriate investments must be made in cultural, literary and art work. This work must be led and guided more closely by the party and state.

As regards public health work, we must thoroughly practice preventive medicine and combine modern medicine with traditional medicine. We must strengthen and develop the district, ward, precinct and basic unit public health networks. The quality and effectiveness of public health activities, the disease prevention hygiene movement, epidemic prevention and control efforts and medical treatment must be improved. Importance must be attached to training public health and medical cadres. We must accelerate scientific research and develop the medical science of Vietnam.

To overcome the shortage of medicine and public health implements, we must continue to strengthen and vigorously develop the pharmaceuticals industry and the production of commonly used public health equipment and implements. At the same time, we must develop the cultivation, processing and use of medicinal herbs at basic units and establish areas specifically for the cultivation of pharmaceutical crops.

Efforts must be made to gradually improve the living conditions of the corps of public health cadres.

We must build the socialist system of physical culture and sports and maintain and improve the physical fitness of all the people, most importantly the young generation.

We must expand and improve the quality of the mass physical culture and sports movement. We must organize the physical culture and sports activities at schools well. We must discover and train talented young athletes and quickly record new achievements and set new records in a number of sports.

As regards retired persons, it is necessary to guarantee their standard of living through the real wage. Depending upon their health, we must gain the participation of retired persons and the disabled in production and service

activities, in political and social work and in the education of the young generation.

As regards war invalids, families of war dead and demobilized military personnel, we must thoroughly implement the preferential policies that have been promulgated by the party and state. We must take special care of seriously disabled war invalids and families who are short of help and give priority to providing jobs to war invalids and demobilized military personnel.

We must take care of orphans and the disabled. We must educate or reeducate the victims of the old society and create the conditions for them to lead wholesome lives.

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**GUARANTEEING AND DEVELOPING THE RIGHT OF COLLECTIVE OWNERSHIP OF THE LABORING PEOPLE AND THE MANAGEMENT ROLE OF THE STATE**

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 31-36

[Article by Nguyen Liem]

[Text] The Right of Collective Ownership of the Laboring People--One of the Important Lessons and Experiences

The 4th Congress and the 5th Congress of the Party defined the salient characteristics of our country in the period of transition to socialism and during the initial stage of this period as: our country is advancing directly to socialism and bypassing the stage of capitalist development under the circumstances of an economy in which small-scale production still predominates, an economy that consists of many different segments and produces a very low output of goods, an economy whose material-technical bases were heavily damaged in 30 years of war and which is in a state of imbalance with regard to the supply of and demand for grain, food products, energy, raw materials, supplies and infrastructure facilities. In addition, our country has been unable to focus its efforts on economic construction because of the need to deal with the border war of encroachment and occupation and the wide-ranging war of sabotage being waged by the Chinese expansionists and hegemonists in collaboration with the U.S. imperialists and other international reactionaries.

On the basis of these characteristics, our party has adopted correct lines aimed at building socialism and defending the socialist fatherland. In these lines, the right of collective ownership of the laboring people is both the goal of and the moving force behind the socialist revolution. It must be codified, must take the form of economic, political and social policies. It must be through the management activities conducted by the socialist state under the leadership of the party.

Summarizing the experience of past years, particularly the past 5 years, our party maintains that successes as well as mistakes and shortcomings are closely related to whether or not the right of collective ownership of the laboring people is respected. This is one of the most profound lessons we have learned.

Following more than 10 years of carrying out the socialist revolution nationwide, a new society has been born on the basis of abolishing exploitation and oppression and establishing the public ownership of the primary means of production. A socialist community of free and equal laborers has come into being. Our people possess the basic conditions needed to implement their right of collective ownership in the fields of politics, the economy and social life. The structure of the classes has changed: the working class is now the leading class. The working class, the class of collective farmers and the stratum of socialist intellectuals have become the main forces of social development. A political and spiritual consensus, although only in the initial stages of formation, has become a new and large force in our society. Large numbers of laboring masses have clearly displayed their sense of ownership through the product contract movement in agriculture, through the movement to step up production and make technical improvements in industry, small industry, the handicraft trades and other sectors of the economy, through the tenacious and brave fight being waged on the border of the fatherland and the widespread movement in the rear area to support the frontlines and through the specific movements being carried out by the various circles of society to build the new culture and the new way of life. Our state has taken a step forward in guaranteeing the rights and interests of the laborer as owner and has closely combined the three interests: the interests of the state, the interests of the collective and the interests of the individual laborer.

Clearly, the achievements that have been recorded by the revolution are the combined results of performing our two strategic tasks, of simultaneously carrying out the three revolutions. They are also the results of the laboring people exercising their right of collective ownership. If we recall the very difficult period of 1979 and 1980, when agricultural production stagnated, when many industrial enterprises operated irregularly or ceased operating entirely as a result of the shortage of raw materials and when the Beijing expansionists and hegemonists tightened their two prongs of aggression in a vain attempt to annex our country, it is clear that the credit for overcoming these difficulties belongs first to the laboring people exercising collective ownership.

Obviously, when the right of collective ownership is upheld, a new strength, an extremely powerful moving force emerges.

However, we must take a hard look at the actual situation and determine what is impeding the exercise of collective ownership by the laboring people and preventing revolutionary movements from becoming truly intense and widespread movements of the masses.

Our people are blessed with a wealth of talent and energy. They have been forged and challenged for many years. They are very patriotic and love socialism. In addition, they are very diligent workers, are intelligent and creative. But the talents, knowledge and experience of the citizen are not being utilized in a manner commensurate with the citizen's role as master of the country. Many procedures and policies based on the old management mechanism still impede and restrict the display of initiative and creativity by the masses. Within enterprises, cooperatives and agencies, the people's

right of ownership has yet to be codified. The rights, obligations and interests of the citizen have not been satisfactorily guaranteed.

Moreover, many localities and many state agencies have seriously violated the democratic rights and rights of freedom of the citizen. The phenomena of despotism, arrogance, authoritarianism, abuse of authority, suppression of others...continue to be widespread.

The negative phenomena occurring in the various socio-economic sectors, at places such as stores, hospitals, bus depots, railroad stations, tax offices, labor and military recruiting offices and dictatorship agencies of the state and the shortcomings and mistakes involving the personal qualities of cadres and party members have considerably affected the prestige of the party and state and reduced the confidence and zeal of the masses.

It has come time for a determined effort to rectify these shortcomings so that we can strongly develop the revolutionary spirit of the masses.

**What Must Be Done To Guarantee the Right of Collective Ownership of the Laboring People?**

To eliminate the causes of those things that impede the implementation of the right of collective ownership, it is first of all necessary to guarantee the rights, interests and obligations of the citizen and cultivate in citizens the concept of being an owner and the ability to exercise ownership.

The laborer as owner must first be the master of his labor, must work in a disciplined, technically skilled and efficient manner. Everyone, mental laborers as well as manual laborers, ordinary laborers as well as cadres who hold public positions, must make worthy contributions to the building of the country.

The collectives of laborers directly control the economic process at enterprises and cooperatives and the social activities conducted within the subward and hamlet. They must have appropriate rights and obligations with regard to formulating and implementing production and business plans, organizing production and distributing labor, selecting management cadres, utilizing the various funds of the basic unit and inspecting and supervising the activities of enterprise and cooperative directors. They must play an active role in social activities within the subwards and hamlets; in the circulation and distribution of economic products; in the supplying of everyday services and the organizing of cultural, educational and public health activities; in the maintenance of social order and safety; in the establishment and management of interpersonal relations; and in the inspection and supervision of the work of the administration and the qualities of cadres and party members.

The responsible agencies of the party and state must take measures to eradicate the negative phenomena within the corps of cadres, party members and state personnel. In particular, they must put an immediate end to actions that violate the rights of citizens and must prosecute these actions in exact accordance with state law. The party organizations on all levels must

restructure their organization and resolutely expel from their ranks self-serving elements who use the name of the party and state to oppress the masses and extort wealth from the people in order to insure that our state is truly the representative of the rights of the people, is the servant of the people, as was often taught by President Ho Chi Minh. Agencies that deal with the public on a day to day basis, that serve the people must change the way they provide their services and make it convenient for the people to shop, receive medical treatment and travel. Agencies of the court, control agencies, security agencies, tax offices and so forth must be strengthened by removing from them undesirable elements who accept bribes, intimidate the people or support elements who undermine the discipline and order of the state. Persons whose qualities are above question must be put in charge of agencies that are in charge of housing and land, the selection of persons for schools, the recruiting of labor and military inductions, agencies that control materials, goods and so forth.

The pillar of socialist society is strong collectives of laborers that consist of new persons who subscribe to communist ideals and the communist philosophy of life, whose approach to life is "one for all, all for one," who live a simple, wholesome and cultured life, live through their own labor and cooperate and help one another for the sake of the fatherland. Building such collectives obviously entails a long process. However, effective steps must be immediately taken to build these collectives, to enhance, perfect and increase the number of models of new persons that have emerged everywhere in our country, representative of which are the heroic individuals and units and emulation warriors. At the same time, we must sternly denounce ways of life that are characterized by selfishness and parasitism, by the pursuit of money, by serving one's interests to the detriment of the interests of others, by serving the interests of the individual while hurting the state and by wasteful extravagance.

In the work of molding the new man and building the system of collective ownership, political-ideological education and work in the fields of culture, literature and art occupy a very important position. Through profound and lively forms of propaganda and education, we can make a strong impact upon the thinking, attitudes, feelings and way of life of the citizen, gradually make inroads against negative phenomena and create more and more positive factors. In this work, mass organizations, such as the trade union, the association of collective farmers, the Ho Chi Minh Communist Youth Union, the Vietnam Women's Union, the Vietnam Fatherland Front, literary and art societies, the associations of scientists and technicians, the associations of specialized workers, the organizations of the ethnic minorities, religious followers, overseas Vietnamese...play an extremely large role.

Depending upon whom their membership represents, these organizations must revamp their mode of operation, maintain close contact with their members and take the initiative in developing forms of activity that are compatible with the characteristics of their circle with the aim of making an impact upon both the reason and sentiments of their membership, building a high spirit of patriotism and deep love of socialism, achieving increasingly strong unity and



consensus and helping everyone to fully develop his or her talents and intelligence so that everyone can make the largest possible contributions to building socialism and defending the socialist fatherland.

### Strengthening the Socialist State, the Primary Tool of the System of Collective Ownership

In keeping with the principles of Marxism-Leninism concerning the party when it is in power and on the basis of the realities of our country, our party created the mechanism of collective ownership: the party leads, the state manages and the people exercise ownership. Within this mechanism, the socialist state is the primary tool used to build the system of collective ownership. It is the organ of political power organized by the working class and laboring people themselves. Under the leadership of the party, it has the function of codifying in laws the authority, interests and obligations of collective ownership of the laboring people. At the same time, it manages economic and social activities in accordance with the law.

When the right of the party to lead is secure, the state operates in accordance with the party's lines and views and, as a result, becomes strong. Conversely, as the state grows stronger, the party becomes stronger also and the people exercise ownership better. Therefore, to reduce the effectiveness of the state is to weaken the leadership of the party and directly violate the right of collective ownership of the people. Only by increasing the management effectiveness of the state is it possible to mobilize large forces of the masses to complete each political task set by the party and, as a result, strengthen the ties between the party and the masses.

Our state apparatus is currently very cumbersome and ineffective. It is built of many different layers and echelons. The jobs and tasks of organizations and the jobs and standards of cadres are not clearly defined. The trend in some sectors is to divide the sector into many specialized and self-contained agencies and units. Many organizations duplicate one another's function or operate at cross purposes. The assignment of cadres and personnel is not compatible with the tasks that must be performed. Many persons have not been trained and lack specialized knowledge or have been trained but have not been properly assigned. Procedures and responsibilities are not clearly defined. Work methods lean heavily toward protocol and paper work. An excessive number of meetings is held yet decisions are made slowly and are frequently not conclusive. The organization of the implementation of decisions is also weak. Bureaucracy is still entrenched, as seen in the following three areas: the apparatus consists of many layers and echelons; many procedures and policies are inappropriate; and work methods are removed from the masses.

One of the causes of this situation is that we have maintained the mechanism based on bureaucratic centralism and state subsidies far too long, thus causing the management provided by the state to lack dynamism and thoroughness, which has resulted in a lack of centralism and also a lack of democracy and effectiveness. The results are that production is impeded and cannot develop; the right of collective ownership of the laboring people cannot be fully upheld in practical terms; persons who steal have much, persons who work have little; the productivity, quality and efficiency of

production have declined; little is being produced and the circulation of that which is produced is obstructed, thereby causing prolonged difficulties, such as inflation, unstable prices, an unstable standard of living and the development of negative phenomena that are eroding spiritual and ethical values.

Many recent resolutions of the Party Central Committee and the Political Bureau provide us with guidance in how to improve the management of the state by dismantling bureaucratic centralism and state subsidies and shifting entirely to economic accounting and socialist business practices.

We must establish and implement a state management mechanism that reflects the right of collective ownership of the laboring people on all levels. We must strengthen the state apparatus from the central to the local and basic levels and make it a unified system in which there is a clear division of tasks, authority and responsibilities on each level in accordance with the principle of democratic centralism and the principle of combining management by sector with management by locality and territory in a manner consistent with the special features of the socio-economic situation and the structure of the economy. This apparatus must be streamlined and competent. It must codify lines and policies in the form of laws. It must concretize socio-economic strategy in the form of socio-economic development plans. It must operate on the basis of the new mechanism, with productivity, quality and economic efficiency being its most important standards. It must manage economic and social activities in exact accordance with the law and maintain the discipline of the state and social order. It must establish and implement a code of scientific and highly efficient work regulations. It must build and organize a corps of cadres who are competent in all facets of management.

In its management, our state must give its attention to distinguishing between and properly providing two types of management: administrative management (by means of laws, plans, policies, organization and so forth) and production and business management (through the various production and business organizations). The establishment of correct laws, procedures and policies is of decisive significance. If, in recent years, we had dismantled the mechanism based on bureaucratic centralism and state subsidies quickly and adopted correct policies on investments, prices and circulation-distribution, production would have surely developed more than it has, farmers would not be indifferent about production, factories would have many more domestically produced raw materials and supplies, "gray matter" would not be wasted and scientists and technicians would be able to properly display their talents and intelligence. Correct laws, procedures and policies not only cause production to develop, but also strengthen the alliance of workers and farmers, strengthen the unity and consensus among the various strata of the people, which then become a strong moving force in socialist construction.

To increase the management effectiveness of the state, we must build upon the role of the National Assembly as the highest body of power, the functions of which are to research and discuss lines and policies of the party, turn them into laws of the state, supervise each activity of state agencies, which even extends to removing persons from office, maintain contact with the people and be the embodiment of their opinions and aspirations. We must develop the role

of the people's councils on the various levels and correct the practice of the activities of these agencies being activities in form only because their work has been taken over by the various party committee echelons. We must develop the role of the people's councils on the various levels and correct the practice of the activities of these agencies being activities in form only because their work has been taken over by the various party committee echelons and because many people's committees still give light attention to it. We must strengthen the role of the Council of Ministers and the people's committees on the various levels along the lines of improving their ability to guide, manage and organize the implementation of the positions and measures of the party and state. Of pressing immediate importance are the needs to restructure and reduce the number of ministries, state commissions and general departments; streamline administrative management staffs; and restructure the system of scientific-technical institutes, schools, departments, corporations and administrative and service elements, shifting the majority of them to operations that are based on cost accounting and closely tied to production and business.

Strengthening the socialist system of law is an important part of improving the management of the state. We must amend, revise and refine the system of law and management policies. We must widely publicize and provide a widespread education in the law so that it is clearly understood and obeyed by everyone. We must conduct inspections and perform control work on a regular basis, harshly deal with every violation of the law by individuals as well as organizations and prevent every possibility of a cover up.

Our state must also revamp its work procedures and style of work so that correct and timely decisions can be made and implemented well, thereby putting an end to the administrative and bureaucratic approach to work with its many intermediary echelons, the slowness with which work is performed and the many complex and bothersome procedures. At the same time, we must organize a scientific and accurate system of information.

Finally, to increase the management effectiveness of the state, we must have a corps of skilled, competent and experienced cadres who possess revolutionary political qualities and ethics and are assigned to positions in a way that is rational.

In the final analysis, the purpose of increasing the management effectiveness of the state is to implement the right of collective ownership of the laboring people. This is the Marxist-Leninist view that the revolution is the undertaking of the masses. Everything must be done by and for the people: "Without the people's support, nothing can be accomplished, no matter how easy it might be; with their support, everything can be accomplished, no matter how difficult it might be." This, however, is not a lesson that is just being learned now. Our ancient forefathers had their roots among the people. Roots that run deep are strong roots. During the period preceding the uprising and up until the August Revolution, in the war of resistance against France, in the resistance against the United States and in the fight against the Chinese expansionists and hegemonists, our party has done the very same thing. Today, as we advance to socialism, our party must do this even more, particularly in light of the successes and mistakes of the past 5 years. The key to the goal

of creating intense, widespread revolutionary movements of the masses lies therein. We are confident that, with policies that are consistent with the aspirations of the people, with a state management system that is entirely for and by the people, with teaching the people to display a high spirit of collective ownership and with determined efforts to correct those things that reflect remoteness from the masses, we will surely attain this goal.

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## INCREASING THE LEADERSHIP ABILITY AND FIGHTING STRENGTH OF THE PARTY

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 37-43

[Article by Phan Chinh]

[Text] The historical experience of our country's revolution and the international communist movement confirm that the leadership of the communist party is the decisive factor in the victory of the proletarian revolution. Strengthening the leadership role of the party is a law in the development of socialist society.

At present, our country is in the initial stage of the period of transition to socialism. The scale, magnitude and complexity of socio-economic development tasks, the sharp struggles between the "two paths" and the bitter struggle between our people and expansionism-hegemonism and imperialism demand that we constantly increase the leadership ability and fighting strength of the party.

In the current stage, increasing the leadership ability and fighting strength of the party means causing the party to grow and mature even more from the standpoint of formulating, developing and concretizing lines, advancing correct solutions that enable us to meet targets that have been set and raising the practical organizational standards and skills of the organizations of the party and the managerial and coordinating skills of the state apparatus. To accomplish this, the party must change and improve the way it does things. In particular, it must revamp its concepts and thinking, revamp its apparatus and forms of organization, revamp its cadre work and revamp its workstyle and methods. Party committees must fully recognize the need to build the party and give more attention to this work. They must take a hard look at the situation. They must see what their strengths are in order to build upon them. They must also see what all their shortcomings and mistakes are in order to rectify them. They must concern themselves with strengthening and building the party in every respect with a view toward making our party increasingly pure, solid and strong so that it is fully capable of meeting the requirements of socialist construction and the defense of the fatherland.

In the immediate future efforts must be focused on performing the following primary tasks well:

1. Upgrading the corps of cadres and strengthening leadership and management agencies.

This is a pressing requirement, is the most important matter that the party must address in order to stimulate the advance of the revolution.

In recent years, we have gradually strengthened and improved the skills of the corps of cadres. Our cadres have gradually grown and matured in their leadership of economic construction and management and state management. Generally speaking, however, the progress made has been slow and the quality of the corps of cadres still does not meet the requirements of the revolution.

Upgrading the corps of cadres means selecting and reassigning cadres and successfully strengthening the leadership agencies of the party and state, staff and combined agencies, the important economic, social, national defense and security sectors and the key job positions of the provinces and districts and the important basic units of the national economy. At the same time, we must concern ourselves with training a corps of cadres who possess the knowledge and skills needed to provide leadership and management, possess the new style of work, possess high fighting strength and are able to meet new requirements.

To upgrade the corps of cadres, we must firmly adhere to cadre standards and revise our views with regard to the evaluation of cadres. We must measure the qualities and capabilities of cadres on the basis of the efficiency with which they perform political tasks and must assign cadres on the basis of the requirements of political tasks. The tasks of the socialist revolution, most importantly, economic construction tasks, demand that we have cadres who possess suitable qualities and skills. These are cadres who subscribe to the new economic thinking, who adhere to and know how to creatively apply the lines and policies of the party, who are dynamic, active and sensitive to the new, who think boldly, are inquisitive and dare to change old work methods and practices and can plan production and business so that high economic efficiency is achieved. Through the dismantling of the mechanism based on bureaucratic centralism and state subsidies and the shift to the new management mechanism, many talented cadres are emerging. We must promptly discover and promote these talents.

In the case of leadership cadres and management cadres, besides knowledge and organizational skills, special importance must be attached to the matter of political qualities and to whether or not they firmly adhere to the working class stand, thoroughly understand the lines of the party, are dynamic and creative while adhering to the economic management principles of socialism, possess a high sense of organization and discipline, display a good style of leadership, are frugal and simple, set examples in their way of life and unite and rally everyone around them.

The upgrading of the corps of cadres must be carried out in an urgent and resolute but cautious and well coordinated manner, with attention given to results. We must avoid being subjective or hasty, avoid formalism, avoid creating unnecessary disruptions. The selection of cadres must be made in an objective and unbiased manner based on the common interests of the revolution

and the unified cadre policy of the party. Everything that reflects individualism, localism, a lack of fairness, bureaucracy or a lack of thoroughness leads to negative consequences in the assignment and deployment of cadres and adversely affects the performance of the political task and the unity within the party.

In the present situation, "rejuvenating" the corps of cadres, increasing the number of young cadres at leadership and management agencies and correctly combining elderly cadres with young cadres are matters of utmost importance and will insure continuity and succession within the party's leadership agencies. Because we have been performing this work very slowly in recent years, the average age of leadership cadres has been steadily rising. The concept of a hierarchy and respect for a feudal style of order are still quite prevalent among many comrades. Some comrades always find one reason or another to postpone the promotion of young cadres. Party committees must establish the preparation of the corps of successor cadres as a constant task and make this task part of their planning. Leadership cadres have the responsibility of working with the collective to select and train young cadres in an impartial and unbiased manner. Elderly cadres who are highly experienced have the obligation of supporting and assisting successor cadres.

Of course, the training of successor cadres must be conducted in accordance with a set of standards based on strict principles. Academic training at schools must be combined with practical training. On the basis of the strengths, weaknesses and prospects for the development of cadres, they must be assigned to a series of job positions at which they are needed in order to make it possible for them to grow and mature. Rotating cadres on a planned basis will help them to acquire foresight, broad knowledge and comprehensive leadership abilities and skills.

The evaluation of cadres and the selection and promotion of cadres depend very heavily upon cadre management. Only with a correct cadre management mechanism is it possible to accurately evaluate cadres, correctly select and promote cadres and preclude the possibility of unexpected factors and unwholesome motives arising in cadre work. Party committees must consider cadre management to be an important, indispensable function in their leadership work. It is necessary to establish a division of labor and responsibilities in the management of cadres, define authority, responsibilities and the relations between party and state agencies, between the sector and the locality, between the upper level and the lower level and define the procedures, methods and standards involved in the selection, evaluation, promotion and transfer of cadres so that cadre management is put on a regular basis and the principle of democratic centralism is correctly implemented in cadre work.

2. Improving the style of work and maintaining the principles of organization and life within the party.

In recent years, besides the strongpoint of trying to perform work in accordance with principles and regulations, there have also been many manifestations of bureaucratic centralism, paternalism and arbitrariness, of not listening to the opinions of the lower level and not tapping the

intelligence of the collective. At the same time, decentralization, localism and a lack of organization and discipline have reduced the effectiveness of party leadership and reduced the party's fighting strength. We must harshly criticize and make every effort to correct these shortcomings, strictly implement the principle of democratic centralism and take determined, urgent steps to restore order and strengthen the discipline within the party and state apparatus. The party requires that all levels and sectors strictly comply with the lines and policies of the party and speak and act in accordance with the resolutions of the upper level and the collective. Each cadre and party member, with the exception of none, must obey the discipline of the party. All dynamism and creativity must be displayed within the framework of the lines and policies of the party. No leader is permitted to place himself outside the organization or to assume the right to talk and act in a manner contrary to a decision of the collective.

On the other hand, we must strengthen collective leadership and broaden the practice of democracy in party life. Each important position must be collectively discussed and decided on the basis of fully researching and analyzing the creative experiences of basic units and the localities and surveying the opinions of the masses, of specialists and scientific cadres. Leadership cadres must maintain close contact with and listen to the opinions of the lower level and must calmly listen to opinions that are contrary to theirs. Only by speaking forthrightly, by expressing all different opinions and discussing them in a truly democratic fashion is it possible to arrive at the truth.

Improving the quality of the activities of party chapters and party committees and intensifying the practice of self-criticism and criticism are an important requirement in revamping the style of leadership and work methods. Only by bravely and squarely facing the truth, by seriously practicing self-criticism and criticism can we see our strengths in order to build upon them and see all our shortcomings in order to rectify them. Concealing shortcomings, exaggerating achievements, deceiving the upper level, practicing self-criticism and criticism in a form for form's sake manner, being indulgent toward certain persons or suppressing and retaliating against persons who express criticism are not permitted. In the recent self-criticism and criticism campaign, by conducting self-criticism and criticism in a serious and democratic manner, many levels and sectors discovered and took positive steps to rectify a number of shortcomings and began to strengthen the confidence of party members and the masses. We must build upon these results and make self-criticism and criticism a regular practice in party life.

The struggle against bureaucracy must be given much more attention. Within many agencies of the party and state there are still red tape, an excessive number of meetings, little investigation or research of the actual situation, delays in the performance of work, ostentatiousness, formalism and ineffectiveness. Many leadership cadres do not spend an appropriate amount of time visiting basic units and meeting with the masses to gain an understanding of the situation, hear the opinions of the lower level and basic units and promptly resolve specific problems on the spot. Some party committees have not maintained their inspection work nor do they periodically adopt inspection programs that focus on jobs of central importance or key units. As a result,



they have not reached clear conclusions concerning right and wrong in order to guide the effort to rectify and correct mistakes.

It is necessary to draw experience in order to amend and refine the work regulations of party and state organizations, build the sense of respecting and the habit of working in accordance with regulations and combating the attitude of doing as one sees fit. A number of specific work regulations and specific regulations on internal activities must be adopted and immediately implemented, beginning with regulations on conferences, inspections, self-criticism and criticism and contacts with the masses.

3. Improving the revolutionary qualities of cadres and party members and struggling against negative phenomena within the party.

At present, our party has nearly 2 million members. At turning points in the revolution and in the face of economic and social difficulties and difficulties with the standard of living, large numbers of cadres and party members have maintained their revolutionary qualities, maintained their pure and wholesome way of life and made efforts to learn more and forge themselves in order to improve their job skills, complete the task assigned to them well and be worthy of being vanguard revolutionary militants. However, within the corps of party members, there are still many negative phenomena that have not been stopped, even some that are developing. This is a serious matter that has paralyzed the fighting strength of many party organizations and eroded the party's prestige.

We must concern ourselves with successfully cultivating revolutionary qualities in cadres and party members and wage a determined struggle against negative phenomena within the party. Every cadre and party member must study and follow the example of ethics and style set by Uncle Ho, uphold and enhance the noble title of communist party member, display high revolutionary ethics, combat individualism and be worthy of being the leader and the loyal servant of the people. We must think and act in the interest of communist ideals, in the interests of the revolution, not for the sake of personal position and fame. We must be honest and not lie, must say little but do much, must do what we say, must respect the right of ownership of the people and must always be close to the people. We must resolutely oppose the thinking and way of life of pursuing material things, money, selfish interests or commercial gain, of stealing public property and violating socialist property.

The effort to cultivate revolutionary qualities in cadres and party members can only achieve good results if it takes the form of a work program, of specific regulations that deal with all facets of organization. Party committees must adopt plans for closely managing and inspecting the activities and qualities of party members, including those who are leadership cadres. Party members who commit serious mistakes involving their qualities and ethics must be dealt with in a resolute and strict but fair manner. We must continue to purify the corps of party members by immediately expelling elements that have degenerated or become deviant, persons who are embezzlers or black marketers, persons who are despotic and arbitrary, who lack organization and discipline... Publicly reporting in the press or reporting during activities of the party organization or mass organizations a number of cadres and party

members, including high ranking cadres, who have committed serious mistakes involving their personal qualities will have the effect of teaching party members to prevent mistakes and will increase the people's trust in the party. In educating and forging party members, we must make combined use of many measures. We must combine dismantling the old management mechanism and building the new with managing and educating party members. We must combine mobilizing the masses to struggle against negative phenomena with the control work of the state and inspection work of the party. Party chapters must assign their members to the proper job and combine the teaching of theory to party members with providing them with practical training on the job. As regards retired party members, the party committee can assign them suitable jobs at the basic unit based on the specific circumstances of each person and must concern itself with caring for the living conditions and health of comrades who are experiencing many difficulties.

It is necessary to attract and accept into the party outstanding persons who emerge within revolutionary movements of the masses in order to bring new strength to the party. Attention must be given to insuring the quality of party members from the time they are selected and accepted into the party. Party membership must be increased among manual workers, women and the ethnic minorities. Party members must be distributed in a way that is rational. More must be sent to areas and basic units where there are very few party members.

#### 4. Increasing the fighting strength of the basic organizations of the party.

The fighting strength of the entire party is manifested in and dependent upon the fighting strength of the party's basic organizations. The achievements that are recorded, the potentials that are developed and all experiences and values originate in the efforts of the masses at basic units, the leadership nucleus of whom is the party organization. On the other hand, the weaknesses and negative phenomena of many basic organizations of the party are one of the factors limiting the achievements of the revolution. At present, we are building and implementing the new management mechanism, increasing the autonomy of basic units and turning over much authority to unit heads, as a result of which the role and responsibility of the basic organizations of the party are not decreasing, but increasing. Only by strengthening and building basic organizations that are pure, solid and strong is it possible to implement the new management mechanism well.

The basic organization of the party controls each activity at the basic unit and insures that each activity complies with the lines and policies of the party and state. Within those basic units where the unit chief system is in effect, the organization of the party must properly fulfill its function of inspecting the unit chief. The party committee must periodically carry out an inspection program and must know how to organize inspection forces. The standards, qualities and skills of the secretaries of the party committees at basic units must be the same as those of the chiefs managing these basic units.

The basic organizations of the party must give their attention to performing good agitational work among the masses and must combat bureaucracy and

remoteness from the masses beginning at basic units. Every party chapter and party member must firmly adhere to the basic methods employed by the party in its work among the masses, namely, education and persuasion. They must know the living conditions, private thoughts and aspirations of the masses, concern themselves with teaching politics and ideology to the masses and mobilize the masses, by means of exemplary actions by communists, to work hard to complete labor, production, combat and work tasks. They must mobilize and arrange for the masses to participate in party building, criticize the activities of the party chapter, examine the qualifications of party members, expose persons who are not qualified to be party members and introduce outstanding laborers for acceptance into the party.

The basic organizations of the party, most importantly party chapters, must concern themselves much more with educating and training party members, improving the quality of party members and regularly inspecting the work, qualities and style of party members. They must do a good job of developing the party and must expel unqualified members from the party. In the case of weak and deficient basic organizations, the party committee on the upper level must closely guide the work of strengthening their organization, improving party chapter activities, strengthening the contingent of core cadres and educating and managing party members.

#### 5. Improving our work in the fields of ideology and theory.

Ideological and theoretical work plays an extremely important role in all the work of the revolution. At present, however, theoretical work is being performed slowly with regard to many important issues of the socialist revolution. Many concepts, much knowledge and many ways of thinking are outmoded, particularly in the economic field, and have not been revised. This poses a major obstacle to concretizing the general line and the economic line of the party and has slowed the process of establishing the new management mechanism. Besides achievements, there are still numerous shortcomings in our ideological work, such as a lack of activism, initiative and effectiveness. Many organizations of the party are not truly providing ideological leadership and do not know how to provide this leadership. Many party members are still passive and complacent in the face of scurrilous rumors and malicious arguments. They are paralyzed in the face of the enemy's ideological attack.

The main tasks in ideological and theoretical work today are to expand and improve the quality of education concerning theoretical and practical issues of socialist construction in our country; clarify the theoretical and practical bases underlying the resolutions of the party congress; revise our thinking to be consistent with the situation and tasks of the revolution; and promptly review new experiences and issues as they arise. When differences of opinion emerge in the process of implementing the party's line, they must be presented for democratic discussion and clear, definite conclusions must be reached. Our party does not permit anyone to propagandize or spread views that are contrary to its resolutions. The effort to combat enemy propaganda must be fundamentally reorganized. Each cadre and party member must display a high spirit of vigilance, keep abreast of the situation and promptly attack and defeat each counter-propaganda argument and the psychological war of the enemy.



Strengthening the leadership provided by the organizations of the party is the important factor in guaranteeing the effectiveness of ideological work. Every party committee must keep abreast of the thinking of cadres, party members and the people, adopt immediate and long-range plans for ideological work and know how to organize, train and utilize the force of persons engaged in ideological work as an army that possesses high fighting strength.

In view of the present situation, ideological work must be revamped in terms of content and form, organization and methods, personnel and means of propaganda and education. We must improve and increase the quality of the activities of party organizations so that these activities are highly ideological in nature and have the effects of giving everyone a thorough understanding of the views and lines of the party, heightening the sense of responsibility and building ideological consensus.

Regulations must be established which require that party cadres and the cadres in charge of the administrations on the various levels periodically meet with the laboring people, respond to issues raised by the masses, explain policies and survey the opinions of the masses in order to report them to the party committee or the responsible agencies for their response and action. Bureaucracy in ideological work must be eliminated.

The organizations of the party must build and make good use of the corps of reporters and propagandists, who must possess good qualities and meet political and professional standards. They must restructure and strengthen the newspaper and radio system from the central to the local levels, intensify the training of press cadres, strengthen the material-technical bases of press organizations and improve the quality, the mass nature and the militant nature of the press so that the press and the other mass media meet the rising requirements and standards of the people. They must closely manage publishing activities. They must improve the work of party schools in every respect and improve the training, the knowledge, the practical skills and the workstyle of cadres and party members, beginning with the leadership and management cadres on the various levels.

Taking positive steps to train the corps of cadres who perform ideological work and giving attention to meeting legitimate needs for material-technical bases for ideological work are necessary prerequisites to improving the quality and increasing the effectiveness of ideological work.

#### 6. Building stronger unity and consensus within the party.

Unity and consensus are a very precious tradition of our party. Even at times when the revolution has encountered danger and difficulties, at complex turning points in history, our party has always maintained solid unity and consensus. As a result, it has led and united all the people and continuously advanced the cause of revolution.

Today, under the country's new circumstances, in the face of difficulties with the economy and standard of living and in the face of a number of negative phenomena within our party and society, the enemy, through sabotage and provocation, is attempting to divide the party internally, to divide the party



from the people, divide the lower level from the upper level, divide the South from the North. Therefore, now, more than ever before, we must give even greater attention to building and strengthening the unity and consensus within the party, must preserve unity and consensus as though they were the apple of our eye. Building stronger political and ideological consensus on the basis of Marxism-Leninism and the lines and views of the party is a matter of survival to the revolution. Concerning ourselves with maintaining unity and consensus within the leadership agencies of the party is the basis for building stronger unity and consensus throughout the party.

To accomplish this, we must firmly maintain the standard of working in precise accordance with the principles of democratic centralism and collective leadership. Important issues must be discussed by the collective, must be decided and acted upon in accordance with the principle of majority rule. Comrades must sincerely love and assist one another and rid themselves of all prejudices.

By performing the above mentioned tasks well, we will surely succeed in gradually improving the leadership ability and increasing the fighting strength of the party, thereby making decisive contributions to overcoming difficulties, stabilizing the situation and advancing our people's glorious cause of revolution to new victories.

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## THE WORLD SITUATION AND THE FOREIGN POLICY OF OUR PARTY AND STATE

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 44-51

[Article by Hoang Chi]

[Text] The changes that have occurred in the world situation in recent years and are taking place today prove that the basic assessments of the world situation made by our party at its 4th and 5th Congresses were correct. The tides of revolution in the world continue to surge. The Soviet Union and the other socialist countries are becoming increasingly strong. At the same time, the struggle to win and strengthen national independence as well as the struggle for the welfare of the people, democracy and peace in the world are steadily developing and are more widespread than ever before. Although in a weak position and fraught with contradictions, imperialism, headed by the U.S. imperialists, and the international reactionaries have mounted an insane counter-attack.

The combined strength of the tides of revolution and progress is becoming one great current, a current that has directed the thrust of the struggle against imperialism to safeguard peace and achieve national independence, democracy and social progress. In line with the trend of development of history, the class struggle is a sharp and bitter struggle worldwide.

Imperialism and the Other Reactionary Powers Have Launched an Insane Counter-attack but It Is an Attack Being Carried out from a Position of Weakness

In recent years, imperialism, headed by the U.S. imperialists, and the other reactionary powers have launched the most intense counter-attack ever against the forces of revolution. Through the implementation of "neo-globalism," the highest principle of which is U.S. interests throughout the world, and the United States' resolute support of counter-revolutionary powers against lawful regimes that do not support the United States, the U.S. imperialists have openly declared that they are waging a "crusade" against socialism, against the Soviet Union. They are insanely pursuing the arms race and making every effort to achieve military superiority in a vain attempt to push back communism, crush the world revolutionary movement, stop the national liberation movement, win back positions that have been lost since World War II, particularly since the Vietnam war, and restore U.S. control within the imperialist and capitalist system. Recently, the United States has insanely

intensified the nuclear arms race on earth and the militarization of space, thereby causing a serious threat of nuclear war. It has brazenly employed military forces in attacks on sovereign countries and taken a series of provocative actions against the Soviet Union, thereby going completely against the tide of the struggle for peace in the world, placing obstacles in the way of the process of Soviet-U.S. dialogue and creating new tensions in Soviet-U.S. relations and the world.

However, the U.S. imperialists have deployed their "neo-globalism" from a position of weakness and increasingly limited capabilities. The United States has created tensions with the Soviet Union mainly for the purposes of provoking chauvinism within the United States and combating demands by U.S. public opinion for cuts in the military budget and an end to Reagan's arms race in space. The United States has also created tensions with the Soviet Union to draw the countries of Western Europe to the side of the United States and bring pressure to bear upon the Soviet Union in the negotiations on medium-range and strategic weapons. The aggressive actions of the United States are also aimed at serving as a deterrent to the national liberation movement at a time when the United States wants to avoid becoming mired in a second Vietnam war. The intentions of the Reagan administration are to continue the arms race and negotiate with the Soviet Union from a position of strength, to negotiate with the Soviet Union while intensifying its attacks on the world revolution and not allowing its Western European allies and Japan to proceed too quickly in developing their relations with the Soviet Union outside U.S. control.

During the early period of the Reagan administration, the United States, although it increased its economic strength and military power, was unable to change the balance of power in the world to its advantage. Since 1985, the U.S. economy has developed ever more slowly. The budget deficit and the foreign trade deficit of the United States have reached record levels. The economic and financial difficulties of the United States have steadily mounted. The basic contradictions within U.S. society have deepened and the contradictions between the United States and the other imperialists (Western Europe, Japan) have become increasingly sharp. The United States has created tensions between itself and the Soviet Union but must still maintain a dialogue with the Soviet Union. It has intensified its attacks on national liberation movements but must still avoid a second Vietnam. The United States is capable of exerting pressure on its allies but can no longer control them as it did in the 1950's and has been unable to prevent Western Europe and Japan from improving their relations with the Soviet Union. Thus, the relations between the United States and the Soviet Union will continue to be a very sharp struggle waged within the framework of peaceful coexistence. This situation will, generally speaking, affect all international relations.

The realities of the past several years prove that the basic assessments made by our party concerning China are completely correct. Chinese authorities continue to pursue a bitterly hostile policy toward Vietnam. During the first 6 months of 1986 alone, China maintained a force of 20 divisions massed along Vietnam's border, regularly carried out acts of provocation, acts of encroachment and occupation on Vietnamese territory... These acts of armed provocation inflicted considerable losses of life and property on our people.

In its foreign policy, China continues to pursue a course of cooperating in many fields with the United States and the other imperialist countries in order to achieve its insane ambition of quickly becoming a superpower, one strong enough to become the ruler of the world. While closely collaborating with the United States and other imperialist countries, China is pursuing a more flexible policy toward the Soviet Union and other socialist countries and exploiting the contradictions between the two opposing socio-political systems with a view toward satisfying its big country, selfish interests.

With respect to Vietnam and Indochina, China has yet to accept defeat. They continue to pursue their long-range scheme of conquering and annexing the three countries of Indochina and turning Indochina into a springboard for expansion into Southeast Asia. To achieve this objective, China is continuing its attacks and acts of encroachment and occupation along the border and waging a wide-ranging war sabotage by means of increasingly sophisticated and cunning tactics against Vietnam.

The collaborative relations between China and the United States are most evident in the Asia-Pacific region. The Asia-Pacific doctrine of the United States is a large-scale economic, political and military plan, is an insidious scheme of a long-range strategic nature designed to establish a kind of Eastern NATO, the spearhead of which is aimed at the Soviet Union, Vietnam and the other socialist countries, at the peace movement, national independence, democracy and social progress within the region. This doctrine has encouraged the resurgence of reactionary powers within the region, of Japanese militarism and Chinese hegemonism. The Vietnamese cannot take lightly the danger posed by the schemes of the United States and China and the complex nature of the situation they have created within the region. The Chinese expansionists and hegemonists and the U.S. imperialists are coordinating their strategies. They consider Vietnam and all of Indochina to be a key target in their counter-attack against national independence, democracy and social progress. However, the Asia-Pacific doctrine was born amidst the weak and strategically defensive position of the U.S. imperialists, amidst the failure of Maoism, amidst relations between the United States and its allies in the region, between the United States and China that are fraught with contradictions and amidst the trend of development of our times. Therefore, the implementation of this doctrine cannot alter the forward direction of the entire region. The unprecedented growth and strength of socialism, of national independence and social progress and of the forces of peace as well as the coordination of actions among these forces are the decisive factors in the struggle between progress and reaction, between revolution and counter-revolution within the region. The birth and strengthening of the special alliance among the three countries of Indochina as well as their close ties to the Soviet Union and the world socialist community and especially the correct policy of the Soviet Union toward this region are making important contributions to changing the situation in the favor of peace and stability, of national independence and social progress in Asia-Pacific.

#### The Forces of Peace and Revolution Have Continuously Grown in Strength

Viewed against the background of the serious crises and the increasingly sharp contractions within the imperialist system and the process of the failure of



Maoism, the above mentioned counter-attack by imperialism and the reactionary powers, mainly by the United States, while it has caused certain difficulties to the forces of revolution, amounts to nothing more than defensive blows delivered by the imperialists and international reactionaries from a deteriorating position. Their insane efforts cannot reverse the inevitable trend of history. The strategic offensive position of the three revolutionary tides of our times will continue to develop.

Through the successful implementation of socio-economic programs, through the expansion and strengthening of cooperation among the fraternal countries, the system of socialist countries has brought new development, a new strength and a new spirit not only to each country, but to the entire community as well.

In the land of the Soviets, a new stage is beginning, a stage marked by the 27th Congress of the CPSU, a stage of dynamic development in all fields of social life. Socialism is being perfected in every respect within the Soviet Union and is being successfully built throughout the system.

The victories of the revolutions of the three countries of Indochina under the banners of national independence and socialism and the fact that Poland has overcome its serious political crisis and firmly protected the gains made by socialism prove that no cunning strategies or action of hostile powers can impede the advance of socialism, prove that every sinister attempt to separate one country from another, from the socialist community will surely fail.

Once again, the stability of the world socialist system has been tested. The military-strategic balance that has been established between the Soviet Union and the United States, between the Warsaw Pact and NATO has been confirmed as being a solid and stable balance. The Soviet Union and its allies are determined not to allow the United States to disrupt this balance. This historic achievement is a dependable shield that has been and is effectively thwarting the adventurous war schemes of imperialism.

In the economic field, it is not surprising that the Soviet Union and other socialist countries have established long-term economic and technical cooperation and trade programs with the Western countries at a time when the United States has been looking for every way to limit cooperation and put an "embargo" on trade. The development of the economic and technical strength of the socialist community, most importantly of the Soviet Union, has reached a point where the ruling circles of the other Western countries must consider and decide their own attitude toward the Soviet Union instead of acceding to the will of the United States. In the economic field, there are laws and needs that are peculiar to this field and they are having an impact.

The struggle being waged against imperialism by newly liberated nations with the aim of consolidating their independence and achieving social progress is a very important part of the world revolution. With the colonial system of imperialism having been crushed, neo-colonialism in many different forms is being unmasked and is gradually going bankrupt. The newly independent nations are intensifying the struggle to consolidate their political independence and advance to true economic independence. They are gradually even making effective use of economic weapons in the struggle against imperialism.

Dictatorial regimes that are lackeys of the United States are becoming increasingly weak and being toppled one after another. With the revolutionary movement emerging everywhere, the U.S. imperialists cannot be as insolent or obstinate as they once were.

The struggle to establish a new international economic order is developing strongly. This struggle has the active support of the socialist countries and progressive forces of the world, who are against the bitter opposition of the United States and other Western powers and the contemptible silence of China."<sup>(1)</sup> The non-aligned movement is increasingly taking an anti-imperialist direction. After winning their independence, many countries have chosen the non-capitalist path of development and are moving in the direction of socialism. This is a development of historic importance and once again proves the great truth of our times, namely, that national independence is closely tied to socialism.

The working class has been and is the primary revolutionary class of our times. The international communist movement is the vanguard unit of the worker movement, of all revolutionary forces in the world. In the strongholds of capitalism, the working class and laboring people are waging a bitter struggle every hour of every day against state monopolistic capitalism demanding jobs, demanding better living conditions and demanding that no cuts be made in their welfare benefits--which are gains made through many years of struggle by the laboring masses--and opposing layoffs, unemployment, increases in the military budget and the arms race--all of which are policies that inevitably cause tremendous harm to the interests of the laborer. The frightening increase in the military budgets combined with cuts in the budgets for social welfare programs have spurred the growth of the inherent close association between the struggle for democratic goals and the struggle for peace within the capitalist countries.

In recent years, as a spearhead of the attack on imperialism, the peace movement has developed to a degree unprecedented. This is a salient feature of the situation, is a phenomena of enormous epochal significance, is a development that has attracted the attention and stirred the thinking of all progressive mankind. Facts show that the arms race, in both conventional forces and strategic nuclear forces throughout the world, which was started by imperialism, headed by the United States, has never been as large in scope as it has in recent years. The number of nuclear weapons in the world today has reached the point where all life on earth can be annihilated dozens of times. The threat of a nuclear war launched by the United States has never been as great as it is today. However, it is in this very situation that the ability of mankind to preserve peace is greater than ever before and has become a real capability. This is mainly the result of the establishment by the Soviet Union and the countries within the Warsaw Pact of a military-strategic balance with the United States and NATO and facing the imperialist camp with a choice: to either be annihilated together or coexist. At the same time, and more importantly, the Soviet Union has, on the basis of the balance mentioned above, continuously proposed peace initiatives of a profoundly humanitarian and highly convincing nature, particularly the program for the complete elimination of all types of nuclear weapons before mankind embarks on the third millennium. In particular, for nearly 1 year the Soviet Union has

unilaterally ceased the testing of nuclear weapons, which is an exceedingly brave step to take and serves to set an important example. This has also been a factor in the formation of the widespread anti-war movement, which is a new assemblage of forces in the form of an international front of unprecedented scope encompassing forces of peace and progress and even some intellectuals in imperialist circles. The world socialist community, of which the Soviet Union with its powerful economic and national defense potentials is the pillar, is the solid bulwark, is the dependable base of support of all mankind in the struggle to remove the threat of nuclear war and safeguard world peace.

During the remaining 15 years of this century, our country's revolution will continue to develop against the background of an international situation that affords us basic advantages but is also complex in many respects. Our country must continue to be vigilant against the Chinese expansionists and hegemonists. The worldwide class struggle will remain a very bitter struggle. With its powerful material forces, imperialism will continue to pose a serious threat to all nations and to world peace. The United States and the international reactionaries have not abandoned their imperialist and hegemonist objectives. They continue to insanely pursue the arms race and steadfastly pursue their policy of starting limited wars and conflicts in many regions, thereby constantly poisoning the international atmosphere.

Despite this, the possibility of preserving world peace is very real. Within the context of peaceful coexistence, the forces of revolution and peace in the world enjoy even better conditions for struggling for a just society, for an international order of equality, democracy and progress.

#### The Foreign Policy of Our Party and State

The strategic tasks of building and defending the fatherland determine the whole of the foreign policy strategy of our party and state. The views of the Communist Party of Vietnam concerning foreign policy are that it stem from genuine patriotism and proletarian internationalism; that it correctly combine staunchly defending the interests of the Vietnamese with respecting and protecting the interests of the people of the world; that it combine, in the best possible manner, the strength of the nation with the strength of our times in order to perform the two strategic tasks while actively contributing to the struggle being waged by the people of the entire world to eliminate the threat of nuclear war, safeguard peace and achieve national independence, democracy and social progress. Our foreign policy strategy must help to create favorable international conditions for building the country, strengthening our economic potential and increasing our national defense capabilities. At the same time, foreign policy activities must become a front that actively and effectively supports the struggle to defeat the border war of encroachment and occupation and the wide-ranging war of sabotage being waged by the Chinese expansionists and hegemonists and each hostile power, defeat their plans to unleash another large-scale war of aggression against the three countries of Vietnam, Laos and Cambodia and maintain peace and stability in Indochina and Southeast Asia.



Our party maintains that the liberation of the proletariat, although it occurs within the scope of each individual nation, is not the separate cause of each nation. This cause is international. This is a factor of utmost importance at a time when the class struggle worldwide is becoming increasingly sharp. Therefore, maintaining close and comprehensive ties with the Soviet Union is the bedrock of the foreign policy strategy of our party and state. Our task is to constantly improve the quality and increase the effectiveness of the cooperation in every field between Vietnam and the Soviet Union. This has always been and will always be our view. It stems from the character of the party and state of the Soviet Union, the brightest symbol of the strength and superiority of socialism, of proletarian internationalism; from the role and position of the Soviet Union as the pillar of the revolution and the bulwark of peace in the world; from the policy of solidarity and cooperation in the fraternal spirit of the party, the state and the people of the Soviet Union toward the party, the state and the people of Vietnam; and from the requirements in the nature of laws that national independence be closely tied to socialism, that independence and autonomy go hand in hand with an alliance and cooperation in every field with the socialist countries, particularly with the countries within the world socialist community. Our party maintains that strengthening our strategic relations and cooperation in every field with the Soviet Union is a firm guarantee of support for the revolution of Vietnam, the revolutions of the three countries of Indochina, is the foremost factor guaranteeing peace and stability in Southeast Asia and the Far East.

Our party fully supports the domestic and foreign policy lines adopted at the 27th Congress of the CPSU, fully supports the revised platform of the CPSU. We consider this platform to be a political and theoretical document of enormous international significance, one that develops and enriches the storehouse of theory of Marxism-Leninism and the experiences of real socialism. One of the highest principles in the foreign policy line of our party is to constantly build and develop the special relations among the three countries of Indochina. The similar historical, geographical, political, cultural and social features, the similar levels of development and similar goals and ideals are the objective factors that create the special nature of the relations among the three countries of Indochina. Our party maintains that the struggle of the proletariat must take place first within the scope of the nation, that "the proletariat of every country must first seize political power, make itself a national class and become the nation."<sup>(2)</sup> This is what defines the essence of the special relations among the three countries of Indochina, the most important principle of which is that each of the three countries must respect the independence and sovereignty of the other countries and cooperate as a fully equal partner and in every field with the other countries in order to help one another defend and successfully build socialism within its own country. Each country considers these relations to be the factor determining the victory of the revolutions of the three countries, to be the law by which the three nations on the Indochina peninsula survive and develop. These relations are also an essential prerequisite to the three nations joining together to fulfill their historic obligation as the outpost of peace, national independence and socialism in Southeast Asia. We must work in every way possible with the two fraternal countries to constantly strengthen the militant Vietnam-Laos-Cambodia alliance by means of practical and effective measures. The special cooperative relations among the three



countries must be developed in depth so that each country and all three become increasingly strong in every respect.

One important task in foreign policy work is to help to stimulate the development of the overseas economy, which is a major strategy of our party and state. First and foremost, our overseas economic policy is to expand our cooperative relations in every field with the Soviet Union and the CEMA member countries, with the two fraternal neighboring countries of Laos and Cambodia. Through self-reliance and in the genuine socialist international spirit, the people of Vietnam are determined to develop the potentials of their country and their own strengths well and meet domestic needs while fulfilling their obligations and commitments for the sake of building and strengthening the socialist community. On the basis of doing a good job in our cooperation in every fields with the Soviet Union and the other fraternal socialist countries, we must, on the basis of specific conditions, seek to expand our economic and scientific-technical relations with Third World countries, the developed industrial countries, international organizations and private foreign parties on the basis of the principles of equality and mutual benefit and with a view toward acquiring each new capability that exists in economic and trade relations in the world today, making inroads against the policy of economic encirclement and embargo of China and the United States against our country and effectively supporting the economic construction and development of our country.

We remain unswerving in our commitment to our stand of thoroughly supporting the national liberation movement and the struggle to consolidate national independence. As a member of the non-aligned movement, we are determined to struggle for the goals of the movement set by the high level conferences of the non-aligned countries. We are encouraged by the new steps that have been taken in the development of friendly and cooperative relations between Vietnam and India. We sincerely desire the continued strengthening and expansion of these traditional relations with the Republic of India, a large non-aligned country that occupies an especially important position in Asia and the world, a country that plays a large role and exerts great influence in international affairs.

We express deep empathy with and wholehearted support for the struggle of the working class and laboring people of the capitalist countries. We sympathize with and support the policies of the communist and worker parties aimed at uniting and rallying each democratic and progressive force within capitalist society in order to victoriously wage an arduous but glorious class struggle within the very strongholds of capitalism and imperialism.

We fully endorse the correct stand of the Soviet Union on combating the threat of nuclear war, safeguarding peace and living in peaceful coexistence. We most emphatically support the peace initiatives advanced by the Soviet Union, initiatives that reflect the aspirations of all mankind. We resolutely denounce the failure of the U.S. side to take practical steps toward reducing tensions through international relations. We are determined to contribute in

every way possible to the sacred cause of all mankind--preventing war, saving mankind from nuclear holocaust and maintaining peace and security in the world. Our party considers this to be the historic mission of socialism, of all progressive and peace-loving forces on our planet.

Our policy toward China, a large neighbor to the north, is very clear. It is that we resolutely oppose China's policy of expansion and hegemony and will defend, at all costs, the independence and freedom of our fatherland while steadfastly advocating the normalization of relations with China and permanent peaceful coexistence with China. The government and people of Vietnam cherish, as they always have and always will, the traditional friendship between the peoples of the two countries of Vietnam and China. We have done our best to restore normal relations between the two countries. The responsibility for the worsening relations between Vietnam and China and the continued state of tension along the Vietnam-China border lies completely with the Chinese side. If China truly desires peace and improved relations with its neighbors, let it immediately stop pursuing a hostile policy toward Vietnam and sit down with Vietnam to discuss and settle the issues that exist in the relations between the two sides, beginning with making the border between the two countries safe and secure and creating favorable conditions for the normalization of relations between the two countries.

Southeast Asia is a region of utmost importance in the world. We desire and have been making every effort to achieve an acceptable negotiated solution in order to quickly normalize and develop mutually beneficial and stable cooperative relations with the countries of Southeast Asia. Vietnam will make every effort to normalize and eventually establish good, friendly relations between the countries of Indochina and the countries of ASEAN. In achieving this objective, we welcome the positive role being played by Indonesia and wish to maintain the dialogue between Vietnam and Indonesia, the two countries representing the two different groups of countries. We wish to maintain the dialogue with other countries and will try to establish cooperative relations with the ASEAN countries in the non-aligned movement. We resolutely criticize Thailand's policy of following the lead of the United States and China in opposing Vietnam, opposing the three countries of Indochina. At the same time, we seek the possibility of dialogue with Bangkok.

During the past several decades, under the leadership of the party and following the path charted by President Ho Chi Minh, the foreign policy activities of our party and state have made positive and worthy contributions to the victories won by our people, namely, national liberation and the reunification of the fatherland. Today, the work of building and defending the fatherland is facing us with new tasks and requirements which demand that all the foreign policy activities of our party and state rise to new levels and make the most positive and effective contributions possible to the successful performance of the two strategic tasks of our party and people while making worthy contributions to the cause of revolution and peace throughout the world.

#### FOOTNOTES

1. China does not support the establishment of a new international economic order. Because, this will not serve China's interests with regard to borrowing capital, importing technology and exporting Chinese goods to markets in the developed capitalist countries. This attitude exposes China's demagogic statements to the Third World.
2. K. Marx-F. Engels: "Selected Works," Su That Publishing House, Hanoi, 1970, Volume I, p 43.

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**TOWARD THE 6TH CONGRESS OF THE PARTY, CONTRIBUTIONS TO THE SOCIO-ECONOMIC STRATEGY IN THE INITIAL STAGE IN OUR COUNTRY: CONCERNING OUR COUNTRY'S NATURAL RESOURCE DEVELOPMENT STRATEGY**

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 52-57

[Article by Nguyen Ngoc Thuy]

[Text] The matter of foremost strategic importance in the development of every nation is to correctly determine the country's natural conditions and natural resources in order to develop a line and policies for making full use of potentials and favorable conditions while limiting adverse conditions.

Now, more than ever before, it is necessary that we have a full and correct understanding of this matter in our country.

Since ancient times, our thinking has been that "our country is rich and beautiful" with its "forests of gold and seas of silver." But is this thinking correct today, is it correct for the future?

Today, following several decades spent conducting investigations and research into our country's natural conditions and natural resources combined with the experiences of the world, we now recognize and have a more comprehensive and deeper understanding of the diversity and complexity of our country's natural conditions, in terms of both positive and favorable factors as well as negative and unfavorable factors.

**I. It Is First of All Necessary To Have a Correct and Full Understanding of Our Country's Natural Conditions and Natural Resources**

While we must view reality objectively and avoid illusions, we must also avoid making rash assessments because we see ourselves facing enormous difficulties on the path of socialist construction.

Vietnam, which is not large, has a rather high population density and rather special geographical conditions. The country stretches along the 15th degree of longitude, lies within the tropical region of seasonal winds and, with its vast territorial waters and exclusive economic zone, is very significantly influenced by the sea. Vietnam has vast deltas with dense networks of rivers and streams and an important region of mountainous forests where the terrain



is very rugged and diverse. It is also influenced by many different systems of air currents from the temperate and the arctic zones, from the sea and mainland, from the equator and the southern hemisphere.

In the world, about a few dozen countries lie in the tropical zone. However, in terms of specifics, these countries differ significantly from the standpoint of favorable and adverse conditions and the special features of their natural conditions also vary rather widely (Vietnam, Thailand, the Philippines, Burma, India, Cuba, Brazil and so forth).

There can no longer be any doubt that our country, with its mountainous forests, rivers, sea and deltas stretching from the equator to the subtropical zone is truly rich and unique and affords scenes of unparalleled beauty comparable to famous places that are rare in the world.

Vietnam, which lies in the tropical zone of seasonal trade winds, is a natural region of the world that ranks among the countries with the conditions that are most favorable for the growth of plant and animal life and is capable of producing an abundance of grain and food products.

One of our country's basic advantages is its abundant solar radiation (1.5-3 times as much as in the temperate zone) and its very rich natural resources (rainfall is roughly 2.5 times greater than the average on the continent of Asia and the volume of water in rivers and streams per square kilometer is nearly three times greater than the average for Asia and approximately five times greater than in the Soviet Union). Another basic advantage is that Vietnam--a peninsular nation--has vast offshore waters.(1)

Yet another basic advantage is that Vietnam has vast and fertile deltas (the Mekong Delta ranks third in size among the more than 30 largest deltas in the world) and its scenic beauty is diverse, ranging from the sea to the deltas and the mountainous forests.

The mineral resources of our country are also very rich (from coal and iron to rare earth metals, placer gold and petroleum-natural gas), the reserves of which, according to discoveries to date, are significant.

In summary, today and over the long-range, we are fully justified in saying that Vietnam is and will continue to be a country that has rich natural resources and many places of scenic beauty.

In the experience of the world, many new, valuable and sometimes very important natural resources can be discovered with the passage of time, even in developed industrial and agricultural countries (for example, the Siberian region of the Soviet Union, the North Sea and so forth) that can bring about a leap forward in economic development.

Vietnam possesses basic natural conditions that are very favorable and permit the development of agriculture, the forest industry and the fishing industry (in broad terms) at a high rate (many crops and seasons) and with a rich variety of products being produced. In some areas and during certain periods, these conditions are exceedingly favorable.

Because we recognize the basic and valuable advantages mentioned above, we have been able to record tremendous achievements in replacing 5th month rice with short-term spring rice in the North and introducing a winter season, in increasing the coefficient of cropland use and harvesting a rich variety of products year round in the Mekong Delta and at many other places. We persisted in the exploration for new sources of minerals and finally discovered many important deposits, including deposits of iron, natural gas and petroleum in recent years.

However, in my opinion, two additional important factors must be recognized: the need to understand the concept "rich and beautiful" in a dialectical, dynamic manner and the need to realize all the adverse aspects of Vietnam's natural conditions, even in terms of natural disasters.

To begin with, we should not subscribe to a mistaken and proud concept not based in science concerning the richness of our country's natural conditions. Because, in every stage of history, the concept of the richness of these natural resources must be viewed from the perspective of their relationship to the population, to the ability to develop the natural resources of each country.

In past years, when our country's population was not large, when the methods of developing natural resources were still relatively crude and the economy's needs for raw materials and building materials were small, the richness of Vietnam's natural resources stood out above everything else. However, in the current stage, in which our ability to develop natural resources (which consists of our capital, our level of industrialization, our scientific and technical standards...) is still limited and the population is growing rapidly, we readily see a lack of balance between developed natural resources and needs. Of course, there are some countries in which the domestic availability of natural resources is high compared to the population but they are still wealthy countries whose economies have developed very strongly because of their very high ability to develop natural resources (for example, Japan).

We also need to acquire a more correct and fuller concept of the "beauty" of Vietnam's natural conditions. We cannot be satisfied with the exquisite beauty of natural surroundings in their untouched state but must see the need to invest more than a small amount of human effort and money so that this beauty is increased and ultimately produces major economic returns for the country and becomes a very important and rapid source of foreign currency revenues, a source to which we have yet to give our full attention.

Besides the above mentioned very large advantages afforded by natural conditions in the tropical zone of seasonal winds, there are also unfavorable aspects and natural disasters that have different effects in the different areas of the country and at different points in time.

Abundant solar radiation and rich water sources are very favorable conditions but there are unfavorable aspects to these favorable conditions, particularly when these conditions are in excess. Prolonged high temperatures and heavy rain and high humidity have a very large effect upon the life of equipment,

housing projects, roads and bridges and push up design, construction and maintenance costs.

Vietnam is one of the tropical trade wind countries in which natural disasters, although not as severe as they are in some other countries, are of considerable magnitude. Each year, Vietnam is hit by an average of six typhoons and tropical depressions (as many as 10 or 11 typhoons in some years). There is major flooding once every 10 years, moderate flooding once every 3 years and minor flooding once every 5 years. This is not to mention the thunder storms, waterspouts and tornadoes that can inflict major damage on small areas. The climate and weather of Vietnam, particularly in the northern and central regions, change dramatically from one area to the next, from one period of time to the next, causing waterlogging, drought and early or late cold weather. In general, attention must be given to the fact that our country experiences minor natural disasters (such as waterlogging and drought on 100,000 hectares or less) once each year and major natural disasters (typhoons, major flooding and serious drought) once every 3 to 5 years. Natural disasters occur the most in the central and northern regions of the country. Even during years when the weather is considered quite favorable, there can still be minor natural disasters in one or a few localities.

In summary, a correct and full understanding of Vietnam's natural conditions and natural resources is as follows:

Vietnam has rich and diverse natural resources that consist of mineral resources--non renewable resources--in important reserves and resources that are completely or partially renewable (that is, the reserves of which are virtually inexhaustible or very large), such as solar radiation, water, animal life and so forth, which can be developed very quickly and do not require large investments of capital made over a long period of time. Besides this, our country also faces limitations and disadvantages with respect to natural conditions, and the occurrence of minor or major natural disasters is in the nature of a law for the entire country or individual areas of the country.

## II. Concerning the Strategy for the Development of Natural Resources To Support Our Country's Economic Development

Once we have acquired correct and full specific knowledge concerning natural conditions and natural resources, it is necessary to establish a wise strategy for the development of our country's natural resources.

1. We must continue to accelerate the development of those mineral resources that are rather rich and diverse and exist in important reserves. Large economic returns are something with which we absolutely must be concerned. However, appropriate attention must be given to carefully considering planning development that demands large capital investments and requires a long time to reclaim capital. Attention must be given to large or very large-scale development and to medium and small-scale development. On the other hand, we must steadfastly continue our explorations on the continental shelf and in a number of other areas in the hope of discovering many valuable natural resources with important reserves, as has been the experience of many countries.

2. Much more importance must be attached to the development of fully or partially renewable resources, such as our country's very rich solar radiation, water resources, wind energy, biological resources and so forth, which we can quickly recreate and which produce large and rapid revenues, including through exportation.

We have long failed to fully concern ourselves with or to develop appropriate, highly efficient technologies to put into use. Because we have discovered short-term varieties of crops, introduced a winter season and selected an appropriate seasonal schedule, we are able to produce a large agricultural output on the same piece of land from 3 to 4 or more crops per year. We also have very large potentials in many other areas: hydroelectric power (large, medium and small scales), wind energy and solar energy as well as biogas energy from discarded materials. The amount of area under the cultivation of aquatic products in our country is still very small and yields are many times lower than advanced world standards. The amount of agricultural land per capita is a difficulty that we are encountering now and will always encounter in the future. Therefore, our basic approach must be to "intensively cultivate natural resources," that is, to take measures to repair, improve and rationalize the use of agricultural land, barren hills, forest land and coastal land. Our economic and scientific-technical policies must yield the return of treating "a bit of soil as a bit of gold," must make intensive use of land and absolutely not allow land to lie fallow, first in the deltas and then in the midlands and other regions.

3. We must make thorough use of the strip of land along the coastline and coastal waters (to a distance of roughly a few dozen kilometers) to carry out integrated economic development, that is, development which encompasses agriculture (good soil as well as saline soil, sandy soil and swampland), the salt industry, the fishing industry (fishing operations and the cultivation of marine products), the forest industry, small industry and the handicraft trades, industry and communications-transportation. In our country, this is a densely populated zone where labor is readily available, communications and transportation are convenient and many cities and markets are nearby.

Regrettably, in this coastal region, which encompasses about one-half of the provinces and one-half of the population of the entire country and measures more than 3,000 square kilometers, we have yet to do much by way of implementing policies for diverse economic development consistent with an integrated economic model with special features that vary from one locality to the next. Our model remains primarily a narrowly defined agricultural model, remains the traditional crop production and livestock industries of the deltas. The agricultural labor engaged in rice and subsidiary food crop production still accounts for a very large percentage of the work force. Meanwhile, there is dozens of times less labor in the fishing industry, the salt industry, small industry and the handicraft trades, water transport and so forth. What we must do is to learn and organize new sectors and trades, to diversify economic activities within the localities and not concern ourselves exclusively with the cultivation of rice. That is to say, we must develop the mountain economy but also give attention to rice production!



4. The natural potentials of the coastal region are very large. To date, however, our knowledge is limited primarily to marine products and salt. Even in these two fields we have not achieved much development.

The sea fishing industry has made much progress in recent years. But to achieve a larger output, development must be carried out in areas of deep water that lie far from the seacoast. At the same time, we must increase the cultivation of marine products over a larger area and with markedly higher yields than are currently being achieved. This demands much investment capital as well as knowledge of science and technology, economics and new industries.

The salt industry can be developed much more strongly and must reach a higher level of development (salt for industry), particularly in those provinces that have many favorable conditions, such as Nghe Tinh, Nghia Binh, Phu Khanh and Thuan Hai.

Our country's very large potentials for river and sea transport have not been developed much. Meanwhile, river and sea transport play a role of decisive significance in the economic and cultural development (as well as national defense) of a peninsular nation with many rivers and vast offshore waters such as ours. Clearly, this is an important direction to be taken in the development of every province as well as the entire country, one that is capable of absorbing much labor and can have a very strong stimulative effect upon the entire national economy.

The oil and gas development industry along the seacoast and in the offshore waters has truly opened many very large prospects for our country's economic development. At the same time, it has raised many issues that must be resolved, including the issue of protecting the environment.

One of our country's potentials that is very large and can create important sources of revenues is tourism. This can be considered a rather important form of "natural resource," one with which we have yet to fully concern ourselves. It is necessary to make appropriate investments in tourism and "develop" in the most efficient manner possible.

5. Besides the basic and large advantages afforded by natural conditions within the tropical zone of seasonal winds, we must always remember that some of Vietnam's natural conditions are unfavorable, which include natural disasters that are in the nature of laws, such as typhoons, flooding, waterlogging, drought, cold weather or hot, dry weather, high humidity, unusually high tides at times of typhoons or countervailing winds, the irregular intrusion of salt water inland and acidic, sulfate soils over a large area.

The extent of unfavorable conditions or natural disasters differs from one area to another and from one time to another during the year. At present, we do not have official data on the extent of destruction caused by natural disasters in our country. However, according to data of the Philippines, the

loss of agricultural output in that country due to typhoons, floods, waterlogging and drought averages about 7 percent of total agricultural output.

In view of our country's current conditions, we cannot successfully combat natural disasters. Rather, we must prepare for them in advance so that we can promptly respond when natural disasters occur and limit the harm caused by them. More correctly stated, we must reduce the losses caused by natural disasters and unfavorable weather and climatic conditions to the lowest level possible. If we skillfully schedule the growing season and take steps to avoid that period of time when the temperature drops below 13 degrees Centigrade during the winter-spring season, agricultural output will be quite high. The output of 10th month would surely be high were we to avoid the period when typhoons and waterlogging frequently occur. Thus, the matter of short-term varieties and the seasonal schedule for each specific locality and measures to guard against natural disasters play a very important role in insuring high and stable outputs.

6. Finally, one other important factor in the strategy for the use and development of our country's natural resources is to take into consideration the possibilities for changing our country's natural conditions and natural resources and the increase in environmental pollution in the process of socialist industrialization and the transformation of nature. A host of important questions has arisen as a result of building sea dikes and blocking rivers to provide more land along the seacoast; building dikes to block the intrusion of salt water or combat erosion caused by typhoons; blocking coastal rivers and the unusually high tides caused by typhoons; widening or digging additional irrigation and drainage canals; building dams to make large power projects and create large reservoirs; blocking the flow of mud and sand and regulating the current; building large industrial complexes in the power, cement, paper and petrochemical industries; exploring for and developing oil and gas on the continental shelf, etc.

These jobs will affect natural processes in the deltas and coastal areas of our country and the pollution of the air, river waters and the sea will increase in some cases.

Therefore, beginning immediately and extending over a period of many years, we must perform organizational work, conduct investigations and research and make forecasts with a view toward avoiding negative factors and making full use of the new advantages afforded by our improved natural conditions.

In summary, on the basis of our country's natural conditions and natural resources, our strategy for the use and development of natural resources in support of economic development must be to make integrated and optimum use of Vietnam's natural potentials and reduce the damages caused by natural disasters to the lowest possible level.

We have much experience in this area and a rather large force of qualified cadres.

What we need to do is organize, in a very thorough manner, an effort to bring together the forces and mobilize the potentials of the local and central levels, bring together and mobilize scientific-technical cadres who specialize in investigating and researching natural conditions as well as those who specialize in industry, agriculture and communications-transportation and socio-economic cadres and resolve problems from an overall point of view on a national as well as local scale.

#### FOOTNOTES

1. The South China Sea is the third largest of the more than 40 seas in the world. The continental shelf and exclusive economic zone of Vietnam are approximately three times larger than the mainland territory of Vietnam. A comparison of length of coastline to square kilometer of territory shows the following: Great Britain: 36 meters; Vietnam: 9 meters; the United States: 6 meters; the Soviet Union: 2 meters; China: 1 meter...

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**TOWARD THE 6TH CONGRESS OF THE PARTY, CONTRIBUTIONS TO THE SOCIO-ECONOMIC STRATEGY IN THE INITIAL STAGE IN OUR COUNTRY: SOME THOUGHTS ON THE DEVELOPMENT OF AGRICULTURE AND FORESTRY AND THE BUILDING OF RURAL SOCIETY IN THE CENTRAL HIGHLAND PROVINCES**

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 58-63, 57

[Article by Truong Ngoc]

[Text] I. The Position, Characteristics, Advantages and Difficulties of the Central Highland Provinces

The three Central Highland provinces (Gia Lai-Kontum, Dac Lac and Lam Dong) were a famous revolutionary base area in our nation's long war for national independence. In the new stage of the revolution, the Central Highlands is a region of strategic importance in the cause of our people and of all three countries of Indochina of building and defending the fatherland.

Economically, with nearly 5.6 million hectares of land, the Central Highland provinces possess many natural potentials, particularly the natural resources of their land and forests. The Central Highlands have 1.3 million hectares of red basalt soil, which is very well suited to the development of perennial industrial crops, and nearly 180,000 hectares of alluvial soil and hundreds of thousands of hectares of other types of soil that can be used to raise grain crops, annual industrial crops and livestock feed crops. The majority of the land in the Central Highlands is good land and is relatively flat, which is good for agricultural mechanization. One-third of the forests and nearly one-half of the total timber reserves of the country are concentrated in the Central Highlands. As a result of the diversity and richness of the ecosystem of the tropical forests, the Central Highlands has many precious and rare types of wood, pharmaceuticals and plant and animal life that are of high value from an economic standpoint and from the standpoint of scientific research. With these potentials, the Central Highlands possesses the conditions needed to develop a modern and complete system of agriculture and forestry, one that extends from crop production to livestock production, the forest industry and the processing industry.

In addition to the strengths it possesses with which to develop agriculture and forestry, the Central Highlands also has relatively large sources of underground water and hydropower potentials. The total hydropower potential



of the region is estimated to be as high as 1.4 million kw. On the other hand, the Central Highlands also has many other building materials and minerals, especially bauxite. As a result, it can develop a number of industrial sectors.

The communications that link the economic centers in the Central Highlands to other areas are relatively convenient, particularly the links to the seaports of central Vietnam and Ho Chi Minh City, which provide very favorable conditions for circulating goods and marketing products.

Thus, from the standpoint of natural and geographical conditions and compared to the other areas of hills, mountains and highlands, the Central Highlands has many favorable conditions for carrying out comprehensive socio-economic development and is capable of quickly establishing and forming a complete agro-forestry-industrial structure consisting of many areas specializing in the production of agricultural and forest products, particularly export goods of high economic value. Besides these basic advantages, the Central Highlands also faces difficulties: the very distinct differences in weather and climate between the dry season and the rainy season not only have a major effect upon crops and livestock, but also affect the organization of production and labor and the distribution of the system of material-technical bases. The destruction of the forests and the disruption of natural ecological balances that have been occurring in many areas over a period of many years have caused serious consequences. Material-technical bases are still weak. The electric power, mechanical engineering and processing industries have developed slowly. The system of internal communications is still in poor condition and affects the circulation and marketing of products in many areas. The people continue to encounter many difficulties in their daily lives. Customs and habits in ethnic minority areas are still backward. Many problems involving political security and sabotage by FULRO continue to have an impact upon the process of building society in a number of areas...

In recent years, the Central Highland provinces have made efforts to overcome many difficulties and have recorded important achievements in agricultural production and forestry. They have taken a step toward solving the settlement of nomads problem and have received hundreds of thousands of laborers coming from other places. These factors have created many new, favorable conditions for society in the Central Highlands to advance by leaps and bounds and make the Central Highlands an important agricultural and forest product region of the entire country. In particular, initial material-technical bases necessary for the establishment of an agro-forestry-industrial economic structure have been built. Generally speaking, however, agricultural and forest production in the Central Highlands remain decentralized and unstable. Commodity production is still very small in scale. Natural resources are not being protected nor are they being developed in a rational and highly efficient manner.

To build the Central Highlands in a manner befitting its position as a region of strategic importance to the entire country, we must focus our efforts on overcoming immediate difficulties while establishing suitable, long-range guidelines and stages of development with the aim of steadily advancing the Central Highlands to socialism.

## II. Concerning the Guidelines for the Development of Agriculture and Forestry and the Building of Rural Society in the Central Highland Provinces

Of importance in building the Central Highlands are the needs to develop upon its favorable conditions, develop its economic, natural and social potentials in a highly efficient manner and create a combined strength with which to advance the ethnic minorities of the Central Highlands directly to socialism.

The basic guidelines for building the Central Highlands are: closely tying economic and social tasks to the protection of the environment; establishing close ties among agricultural, forestry and industrial production; closely tying production to processing and circulation; closely combining the development and good utilization of local sources of labor with receiving large amounts of labor from other places; endeavoring to quickly develop the Central Highlands from a region of raw natural resources, a natural economy, a sparse population and a low level of social development into a region of large-scale, socialist agricultural and forestry production that practices a high level of intensive cultivation and specialized farming and produces a large output of products and goods; distributing the population in a rational manner and rapidly bringing about social changes.

The long-range socio-economic goals of strategic significance of the Central Highland provinces are to uphold the right of collective ownership of the people of the Central Highland ethnic minorities and joining their efforts with those of the rest of the country to achieve a combined strength with which to efficiently develop and utilize existing natural resources, most importantly the forests and arable land, and material-technical bases, simultaneously carry out the three revolutions and promote the development of a diversified agriculture and forestry along lines that combine agriculture and forestry; to develop industry, most importantly the industry, small industry and handicraft trades that process agricultural and forest products; to closely tie agriculture, forestry and industry together in a rational manner within each area and district; to rapidly create an agro-forestry-industrial structure; and to gradually advance the Central Highlands to large-scale, socialist production and make worthy contributions toward the achievement of the primary targets of the national economy set forth in the resolution of the 5th Party Congress. Economic construction must be closely combined with strengthening national defense forces, maintaining political security and performing social tasks.

In keeping with these guidelines, it is possible to meet a number of important targets between now and 1990, such as the following:

- + Virtually completing the settlement of nomads in close coordination with redistributing labor, bringing the people into collective production through many different forms of transition, building and strengthening basic state-operated units in agriculture and forestry, distributing the different segments of the economy in a rational way within each area and establishing good economic ties.
- + Investing in many different aspects of the building of specialized agricultural and forestry areas in order to rapidly increase the output of the

primary products whose production has been planned and lay the basis for significantly increasing the output of rubber, coffee and wood in subsequent years; endeavoring to increase the total output of grain in order to meet the requirements of a growing labor force and population and the need to develop livestock production.

- + Increasing the industrial forces of the Central Highlands, particularly machine, repair and electric power forces, rapidly expanding the agricultural and forest product processing industry and rationally distributing industry within the different areas of the Central Highlands.

- + Building new style villages and distributing new population centers, economic-technical centers and towns in a manner consistent with the process of developing production.

- + Strengthening and building the district level so that it is fully capable of managing the economic structure within the district and organizing the material and cultural lives of the people well. Augmenting the force of economic-technical cadres and rapidly training ethnic minority cadres.

With socio-economic guidelines such as the above, we can envision the economic structure emerging within the Central Highland provinces over the long-range as an industrial-agricultural-forestry economy. In the immediate future, each area can, depending upon the specific situation, establish an agro-forestry-industrial or forestry-agro-industrial economic structure.

On the basis of the above mentioned economic structure, the following specific targets can be set for agricultural and forestry production in the Central Highlands:

1. Grain production: although grain is not a product that represents a strength in the Central Highlands, it does occupy a very important position and its production can be developed in a variety of ways. The highest possible efforts must be made to resolve the grain problem with the aim of providing a local supply of grain and building solid momentum for developing the other strengths. The guidelines for the development of grain production in the years ahead are, most importantly, to make full use of all suitable land in order to practice the intensive cultivation and multicropping of rice in areas that have water conservancy projects and continue to build water conservancy projects, particularly small and medium-scale projects, while building a number of large water conservancy projects at places where the necessary conditions exist in order to put more land under the cultivation of wet rice. Subsidiary food crops account for a large portion of the grain raised in the Central Highlands and their production must continue to be strongly developed in terms of the amount of area under cultivation, the practice of intensive cultivation, storage and processing, particularly corn and cassava. The Central Highlands must try to achieve the target of 1 million tons of grain per year by 1990, enough to support a population of roughly 3 million.

2. Forestry production: the forests of the Central Highlands are very important to the entire country, to the economy, society and environment of

the entire region. The development of forestry is a matter of survival, a matter of foremost importance to the ethnic minorities in the Central Highlands. The targets for the development of forestry in the Central Highlands in the years ahead are: taking every possible step to maintain the existing 2.5 million hectares of forests and taking measures to promote the growth of forests in order to constantly increase reserves and output; adopting plans for organizing the forests and rationally harvesting the roughly 1 million hectares of rich and average forests; gradually increasing the output of wood, forest products and forest specialty products with a view toward meeting the need to carry out capital formation in order to build the forests and the need to supply forest products in increasingly large quantities to the Central Highlands themselves and the entire country; promoting the movement to plant trees and start forests on fallow land and barren hills; assigning land and forests to households to set up orchards; planning the maintenance of the forests and the planting of shelter belt forests for various types of agricultural land; expanding the wood and forest product processing industry and increasing wood processing capacity in the Central Highlands to insure that the majority of timber harvested is milled.

3. Livestock production: livestock production, especially the raising of the species of large livestock, is one of the strengths of the Central Highlands. We must try to shift livestock production from a natural state to a progressive mode of livestock production, beginning by solving the breed problem and planning the protection of natural grasslands and the processing of livestock feed. It is necessary to focus efforts on rapidly increasing the size of buffalo and cattle herds and adopt appropriate policies to create the conditions for importing additional buffalo and cattle from provinces outside the Central Highlands and strongly encourage the raising of buffalo and cattle breeding stock. As regards hog production, full use must be made of the region's existing strengths in subsidiary food crops and legumes to promote hog production in all three sectors, the state-operated sector, the collective sector and the household sector, particularly the household sector. Ties must be established with coastal provinces in order to obtain additional fish meal and other feed supplements. The cultivation of fish in rice paddies and the cultivation of fish in ponds and lakes must be strongly developed. Areas must be zoned for protection, hunting in the forests must be properly managed, etc.

4. Industrial crops, vegetables and fruit: among the industrial crops raised in the Central Highlands, exported perennial industrial crops are of special importance. Therefore, investments must focus on strongly developing the production of such leading export crops as rubber, coffee, tea and mulberries. Depending upon the conditions within each area and province, specialized farming areas suited to each crop must be established. However, full importance must be attached to intensive cultivation to insure high yields and high quality products. In the immediate future, the production of annual industrial crops must be vigorously developed in order to rapidly increase the output of goods, particularly export goods, and make it possible to carry out capital formation in the initial stage. Among the crops grown in the Central Highlands, special attention must be given to promoting the production of vegetables and fruit to meet the needs of the people, provide products to trade with provinces outside the region, particularly Ho Chi Minh City and support tourism and export activities.



### III. Concerning a Number of Major Positions, Policies and Measures

1. Establishing the new production relations: in view of the special fact that the Central Highlands is advancing to socialism from a low level of socio-economic development, the production relations revolution has a major impact here in opening the way for the development of production forces and the other processes of the revolution. As regards the people of the ethnic minorities, suitable forms of organization must be selected depending upon the specific conditions at each place, such as assigning land and forests to each household, helping them to build fields and orchards and creating the conditions for gradually arranging for them to live in separate households while still eating together within the long houses; organizing various forms of earning a living collectively, from work exchange teams to production solidarity teams, production collectives, cooperatives... At those places where the necessary conditions exist, state-operated agricultural-forestry enterprises must be organized to employ persons as workers while developing many forms of joint businesses and economic ties among state-operated enterprises, collectives and families to lay the groundwork for bringing about the settlement of nomads and advancing agricultural and forestry production in the direction of large-scale, socialist production. The state farms and forestry sites in the Central Highlands must be strongly developed to build upon their key role in the process of absorbing labor, organizing production, reorganizing the population and establishing the new production relations within ethnic minority areas. Importance must be attached to immediately bringing the persons in new economic zones into cooperatives and production collectives or employing some of them at state-operated enterprises with a view toward implementing the production planning that has been established for each area and creating the conditions for stabilizing their living conditions.

2. Applying technical advances and building material-technical bases.

In the process of accelerating the technological revolution in the Central Highlands, communications, water conservancy, electric power, mechanical engineering, the revolution in biology...are areas in which appropriate investments must be made.

Communications and transportation must be developed ahead of everything else. The requirements of many sectors and economic units and the requirements of the central and local levels must be combined in order to plan and put in place a rational communications network and schedule the opening of roads in new agro-forestry areas. We must attach importance to and urgently open main roads linking new forestry-agricultural areas to national and provincial highways. Inter-village communications must be developed, particularly in border villages and villages that produce many forest products and special products. The economy must be closely combined with national defense in planning the development of communications and transportation, especially the development of communications in border areas.

Water conservancy in the Central Highlands is not only the measure of foremost importance in agriculture, but must also be closely tied to the protection of the forests and water sources. Water conservancy projects are needed not only for rice, but also for industrial crops, particularly tea and coffee. At many

places, these projects are needed to supply water for everyday needs during the dry season. A division of labor and coordination must be established among the agricultural, forestry and water conservancy sectors in order to plan and organize the construction of each type project. Importance must be attached to quickly developing small reservoirs and dams that combine water conservancy and hydroelectric power, combine the use of water in production and the use of water in households. Plans must be adopted for investing in the construction of the large water conservancy projects that have been investigated and designed. Importance must be attached to farming practices and shelter belts in order to protect water sources and conserve water.

As regards electricity, the main approach that must be taken to provide adequate electricity for agricultural production, forestry and the processing industry is to develop small, medium and large-scale hydroelectric power projects. In the immediate future, sufficient electricity produced by diesel generators must be supplied to the important economic-technical centers. The needs of many sectors within a number of different areas must be combined in order to build a unified and rational network of power stations.

In view of the fact that there is still a shortage of much labor, it is necessary to rapidly introduce tools and machines in important aspects of agricultural and forestry production, particularly in the preparation of the soil, irrigation, processing and transportation, in order to quickly raise labor productivity and product output. It is also necessary to re-examine the machine forces and the technical service systems of the different sectors within the area in order to adopt guidelines for restructuring them, establishing a rational division of labor and insuring their efficient and effective utilization.

We must intensify economic and technical research in the fields of agriculture and forestry within the Central Highlands, biological research and research in agricultural and forestry techniques and the forest business in order to develop existing potentials in a rational and efficient manner. Stations and farms producing agricultural seed, forest tree seed and weanling livestock must be quickly built. Many centers providing technical guidance must be established in the different subareas of the Central Highlands to create the conditions for researching and reaching conclusions concerning practical problems and rapidly introducing technical advances in agriculture and forestry.

Along with the process of building material-technical bases in the Central Highlands, it is necessary to organize and utilize the existing pool of local labor of the Central Highlands well, most importantly the labor of the ethnic minorities, which must be done in a manner closely tied to the settlement of nomads, and the labor of fellow countrymen coming from the lowland provinces to build new economic zones. The sending of labor to the Central Highlands must be closely linked to agricultural-forestry planning. Each locality and production unit that has a need for labor must properly prepare the objects of labor, work tools, housing, the supply of grain and the organization of production. Importance must be attached to sending technically skilled labor to the Central Highlands and making good use of this corps. Special attention must be given to the political quality of the labor forces sent to areas that

are important from the standpoint of security, national defense and politics. The forces of the army that perform economic work must be utilized well in clearing land, building water conservancy projects, building the infrastructure and carrying out capital construction for agriculture and forestry. Good conditions must be established for providing jobs to youths who have fulfilled their military obligation at state farms, forestry sites and industrial enterprises. We must reorganize mountain villages and industrial, agricultural and forestry population centers and build the new countryside and new society in the Central Highlands.

### 3. Revamping the organizational and management mechanism.

In the process of building the Central Highlands, we must also expand the activities of many sectors and production and business units; open many new economic zones; develop agriculture, forestry, industry, production, processing and circulation in a well coordinated manner; simultaneously resolve economic and social problems and closely tie the economy and society to national defense. Therefore, organization and management pose complex problems which demand thorough planning and the good coordination of the forces of many sectors.

Most importantly, it is necessary to conduct good sector planning and area planning and coordinate the forces of the various sectors and localities in order to establish the structure of the economy and set up a well-coordinated system of production, business, technical service and public service units. Here, a division of labor and responsibilities must be established with a view toward expanding the building of the infrastructure and organizing efforts to resolve social problems well. The establishment of joint businesses and economic ties must be accelerated to develop the full potentials of each segment of the economy, expand the trade sector, create additional capital and equip with technology. The use of product contracts with groups of laborers and individual laborers must be expanded within the various production sectors. It is necessary to properly implement and to amend and concretize the policies of the party and state in all areas, such as the nationalities policy, the policy on the circulation and procurement of products, the policy on attracting labor and cadres, the capital and investment policies, the policies that encourage the development of the local economy, the policies on protecting natural resources and the environment, etc.

The conditions must be created for state-operated agricultural and forestry enterprises to make an effective impact upon the different aspects of social life and make worthy contributions toward intensifying the three revolutions in the Central Highlands. The state-operated economy must play the key and decisive role within the socialist economy. In particular, the central state-operated economy must occupy a worthy position, especially in building and expanding leading economic sectors that require large investments, combine the central state-operated economy with the local state-operated economy well and combine the different segments of the economy as a whole well. In the immediate future, in keeping with the spirit of the resolution (draft) of the Political Bureau on guaranteeing the production and business autonomy of basic economic units, it is necessary to assign to state farms and forestry sites a certain amount of land and forests for use in production and business or to be

managed and protected by them in ways that closely combine agriculture and forestry, that establish economic ties and close cooperation among the state-operated economy, the collective economy and the household economy within each specific area and locale. On the basis of being autonomous from the standpoint of production and business, state farms and forestry sites can expand their "sources of self-acquired capital" through revenue sources that lie in the many potentials of the forests and land. At the same time, they can participate in resolving socio-economic, security and national defense problems.

Building the socio-economic system in the Central Highlands, a strategically important region that has a population of roughly 300,000 ethnic minority members and advancing the Central Highlands directly to socialism is a difficult and complex task. Therefore, in addition to the efforts made by the Central Highland provinces themselves in the spirit of self-reliance, the assistance of the state and the cooperation of all localities, sectors and levels nationwide are very important. The guidelines for socio-economic development in the Central Highland provinces must soon be formalized by the state in the form of specific economic positions and policies with the aim of mobilizing the combined strength of the entire country to build the Central Highlands.

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## IMPROVING PRACTICAL ORGANIZATIONAL SKILLS

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[Article by Dinh Nghiem and Huu Xanh]

[Text] The basic, decisive issue of foremost importance to a party leading a revolution is to adopt the correct line. This is the "living soul" of, is the "star lighting the way" for the revolutionary cause of the broad masses. But this is not enough. The leadership provided by the party also includes directly organizing the masses in implementing this line in practice to achieve the goals set forth in the line. Formulating the line and organizing its implementation comprise an entity in the leadership of the party. Saying "cadres determine everything" indicates the importance of the practical organizational skills employed by cadres to implement this line.

It is only through practice, in general, and practical organizational work that we gradually gain a full and deep appreciation of the revolutionary and scientific nature of the line, that we can concretize the line in a correct and creative manner. Only through practical organizational work can we discover and confirm new forms and methods that are well suited to new circumstances and conditions as we perform the new tasks of the revolution. Only through practical organizational work can we determine the accuracy of the line, revise this line where it is incorrect, supplement it where it is inadequate so that it is constantly improved and has an effect in life. We know that the line of the party, regardless of how correct it might be, can only reflect the broad character, the most general and common aspects of social life. Practical organizational work, on the other hand, demands that we correctly organize every aspect of the activities of society and take into consideration the individual laborer, each collective of laborers, each sector, each locality and the entire nation. Consequently, it is only through practical organizational work that we can gain a deeper and more comprehensive understanding of the country's socio-economic situation, gradually summarize general experiences in the form of theories, perfect the line and promptly make optimum decisions. Le Duan said: we have frequently stressed that once a line has been adopted, management and practical organizational work play an exceedingly important role and determine the fate of the line."<sup>(1)</sup> Practical organizational work is a process that consists of establishing ties among and coordinating objective and subjective factors (for example, the virtues and style of the leader), material and spiritual factors, traditional and modern

factors, man, society and nature, labor, the instruments of labor and domestic and international circumstances and conditions within a system, an entity that functions smoothly, is balanced and efficient and is aimed at achieving established goals.

In the revolution, practical organizational work entails turning the line into reality and developing living reality in all its different aspects and scopes in accordance with the line of the party. This is the common task of the entire party, a task performed through each leadership cadre on all levels and in all sectors, through the specialists in charge of each aspect of the work of state agencies. It is a process that extends from adopting a position, establishing a plan for implementing this position, preparing the necessary conditions, especially building the apparatus and selecting management cadres, establishing the mechanism within which activities will be conducted and establishing work methods to inspecting final results. It entails attracting the masses to processes of activity and creating the conditions for them to participate in these processes in a conscientious, correct and effective manner. It is not simply the organizing of a separate economic or political process, but is a system of processes designed not just to meet one goal in a specific field, but a system of goals, such as building the new system, building the new economy, establishing the new culture and molding the new, socialist man. It involves combining management science and the art of management; combining the science and art of utilizing personnel; combining the science and art of building upon existing factors with building and developing potentials; and combining stages and jobs with creating the objective conditions for each stage and job. Salient among these factors are such matters as combining interests and objectives; combining centralism and democracy; combining collective leadership and individual responsibility; combining principles and creativity, etc.

Improving the ability to perform practical organizational work essentially involves improving the ability to lead and organize the introduction and implementation of the revolutionary line of the party among the masses and mobilizing, guiding and organizing the masses in practical actions aimed at implementing this line in the most precise and efficient manner possible.

To insure the correctness, strength and effectiveness of practical organizational work, it is first of all necessary to have a thorough understanding of the line, guidelines and tasks of the revolution and know how to concretize them within the context of specific historical conditions and circumstances on a nationwide scale as well as within each locality and basic unit depending upon the scope of responsibility of the leader. This is the political outlook, the "political thinking" that is necessary in practical organizational work. Many shortcomings and weaknesses in practical organizational work stem from the failure to understand and comprehend the views and line of the party. Our country's economy currently encompasses many different segments, many different levels of technological development, many different scales of operation, many different forms of production and business and many different types of overseas economic relations. In addition, we must deal with the border war of encroachment and occupation and the wide-ranging war of sabotage being waged by the Chinese expansionists and hegemonists in collaboration with international imperialism and other reactionary forces and

must also fulfill our socialist international obligation. As a result, in the present stage in our country, many different types of laws intertwine: the laws of economic construction and the laws of a war to defend the fatherland; the economic laws and political laws of the class struggle and the struggle between the two paths; the separate economic laws of socialism and economic laws that are not laws of socialism, etc. And, these laws manifest themselves in very diverse and different ways. Moreover, practical organizational work is one of the various conscious activities that are conducted on a society-wide scale. In this work, the party leads and the state unifies management by means of legally binding plans and through inspections. Planning is the strongest lever in the system of economic levers because it is not only legally binding, but also truly provides a large amount of incentive and motivation to basic production units, localities, sectors and each individual laborer. Our country's current socio-economic situation urgently demands that we profoundly reform the planning and management system, revamp the entire structure of the economy and the management mechanism and increase the effectiveness of the factors of centralism in the planning and management system. At the same time, it demands that we broaden and encourage the display of autonomy and responsibility on the part of localities and basic units and make use of the various forms and methods of economic accounting and socialist business practices, the relationship between money and goods and economic incentives. Therefore, in their practical organizational work, leaders must be able to develop and utilize flexible and diverse forms of organization of a transitional nature that are compatible with the current stage for each type economy and each aspect of the process of social production and reproduction. We have been taking a specific direction concerning these issues for many years and have experimented with different approaches to determine which are best. However, the truth of the matter is that we have made very little progress. As emphasized in Resolution 31 of the Political Bureau (19 February 1986), the primary obstacles preventing our activities from being vigorously and resolutely revamped are "subjective, impetuous, simplistic and impractical thinking" and "the failure to fully recognize" that the socio-economic situation is still difficult and complex. Despite this, we have not "engaged in thorough research and debate," "have not held thorough discussions in order to provide unified guidance, have not implemented decisions and policies concerning work, have not strictly upheld the discipline of the party and laws of the state." Besides this, some key cadres still have the attitude of seeking perfection, are afraid of making the mistakes of being bureaucratic and conservative... Consequently, to increase the effectiveness of practical organizational work, planning must be carefully prepared, must be realistic in nature, that is, must be closely tied to life, to the specific socio-economic situation. And, once a decision has been made, it is necessary to "provide concerted, clear leadership, provide detailed guidance, provide supervision and conduct inspections in accordance with industrial standards and not leave work unfinished, consider the end of a meeting to mean the work being discussed is finished, not consider the issuance of a decision to mean that one has fulfilled his responsibility."(2)

Another important matter in practical organizational work is the need to achieve a combined strength and thoroughly understand the coordinated, systems approach, because, it permits us to focus our potentials on effectively meeting crucial targets while creating the prerequisites and conditions for

the comprehensive development of the socio-economic system, in general. This is a major lesson and experience of our country's revolution.

Achieving a combined strength and taking a coordinated, systems approach demand that we determine what the most important links, the most basic objectives and the most pressing tasks are in each stage and with each step that we take so that forces are deployed in a manner that corresponds to the different aspects of the socio-economic situation and we can predict the consequences that will occur in these different areas. The resolution of the 8th Plenum of the Party Central Committee confirmed that prices, wages and money are the area in which the decisive breakthrough must be made to revamp the entire management mechanism within our country in the current stage, dismantle bureaucratic centralism and state subsidies and usher in a new period of socio-economic development. At the same time, the resolution also pointed out that this will entail an arduous, complex and bitter struggle in all fields of the economy, ideology and organization. This task must be carried out in an urgent and determined manner. However, plans and the steps to be taken must be carefully worked out and we must predict what the positive effects will be while anticipating the temporary unfavorable consequences that might occur so that positive measures can be taken to guard against and overcome them. In the entire process as well as in each step that is taken, we must maintain coordination and balance in all areas, such as coordination and balance among prices, wages and money and coordination and balance between the supply of goods and the money supply. Adjustments to prices, wages and monetary policy must be made in conjunction with revamping the entire management mechanism, with reorganizing and restructuring production, transportation and circulation-distribution. The revamping of the management mechanism must be closely linked to the transformation of the non-socialist segments of the economy and the transformation and management of the market. Economic, educational and administrative measures must be closely coordinated. The revamping of economic policy must be closely tied to revamping the organizational and cadre apparatus and eliminating, in a prudent but determined manner, all unnecessary intermediary organizations while restructuring the organization and making changes to the operations of the planning, supply, home trade, foreign trade, finance-banking, pricing, labor and wage and other sectors with the aim of effectively supporting the production and business of basic units. However, in our recent practical organizational work, because we have failed to gain a full and correct understanding of these requirements, we have not controlled the market and prices nor have we stabilized the financial situation, the monetary situation or the standard of living. Instead, we have made the socio-economic situation more complex, in some cases very serious, and the state has suffered major losses.

Practical organizational work demands that we establish the correct relationship between interests and objectives. Objectives set the direction for practical actions. Clearly defined, precise objectives that correctly reflect the requirements of the revolution and the interests of the masses generate spirited and continuous revolutionary movements. Interests are what move people to achieve objectives. The masses participate in practical activities largely for the sake of their own vital interests. Objectives that combine the various interests in a way that is well balanced and insure a unity of interests are a basic, powerful force motivating workers, collectives



and socio-economic organizations to conduct vigorous, coordinated activities based on established guidelines and objectives, thereby creating an enormous strength with which to bring about changes in the current situation. Engels pointed out: "Wherever common interests do not lie, there can be no common objective nor can there be unity of action." (3) Therefore, to increase the effectiveness of practical organizational work, we must plan rational steps to take with rational objectives that correctly reflect the relationship among the different interests: the interests of society, the interests of the collective and the interests of the individual. We must establish an order in which jobs are to be performed and an order of priority in which objectives must be met. Combining objectives and interests in a dialectical way will heighten the spirit of responsibility and the concern of the laborer for the final results of work. This has been made clearly evident to us in the process of implementing Secretariat Directive 100, Council of Ministers' Resolution 25/CP and the resolution of the 8th Party Plenum.

At present, improving the ability to perform practical organizational work demands that we correctly combine centralism and democracy, collective leadership and individual responsibility. This will permit us to achieve the full, united strength of the entire country with a view toward meeting major targets and establishing important balances on a society-wide scale. It will also create the conditions for all levels, sectors, localities and basic units to display initiative and creativity in production and business, in organizing social life. Correctly combining centralism and democracy also makes it possible to build a unified and disciplined operational apparatus and expresses the will and creativity of the masses. It builds the role and spirit of responsibility of the individual while tapping the intelligence of the collective.

The thorough implementation of the principle of democratic centralism in the process of practical organizational work is seen when the leader, the manager or the key cadre listens to the opinions of the lower level and the opinions of the masses and arranges for the lower level and the masses to participate in discussing the plan, to criticize and offer their opinions concerning the contents of decisions as well as the plan and organizational measures and to participate in inspecting the implementation of these decisions. President Ho said: "Democracy, initiative and enthusiasm, these three factors are very closely related to one another. Only by practicing democracy can cadres and the masses propose initiatives. When these initiatives are praised, the persons who made them are even more enthusiastic and other persons study and follow their example. And, when initiative and enthusiasm for work increase, many minor shortcomings rectify themselves." (4)

However, democracy must be closely linked to centralism and strict discipline and all laxity in compliance with the decisions, positions and policies of the party and state must be eliminated. In summary, we must follow Lenin's teaching: "Combine the intense spirit of democracy displayed by the laboring masses at meetings, a spirit that overflows like the floodwaters of spring, with an iron discipline in labor...with the will of a single person, of the soviet leader." (5)

Organizing practical activities demands collective leadership and personal responsibility. On every job performed through common effort, the responsibility of the individual must be defined in detail as must the requirements which each individual must meet in order to fulfill this responsibility. A common task cannot be performed without defining the responsibility of the individual. A person who has responsibility also has authority, authority commensurate with his responsibility. The failure to define the responsibility of the individual in a clear and detailed manner easily gives rise to a method of working that is passive, that entails relying upon and waiting for others to act and leads to an apparatus that is cumbersome, bureaucratic and inefficient. When work goes smoothly, everyone records an achievement. When it does not, no one admits to a shortcoming, that is, no one bears any responsibility at all. While emphasizing personal responsibility, we must also attach importance to collective leadership. Not having a specific understanding of the country's socio-economic situation in the face of the complex changes that are taking place today, not wanting to take or being determined to take practical and effective steps to stabilize this situation, displaying localism and departmentalism and not giving attention to the interests of all society...are totally alien to the principles of democratic centralism, collective leadership and personal responsibility.

To implement these principles in practical organizational work, the leader must put before the collective for its discussion and decision those issues that are of major importance, are in the nature of principles and are the most important. On the other hand, he must know how to tap the dynamism of the apparatus, of cadres on the lower levels and establish a work atmosphere of unity, confidence and mutual respect. He must be determined to work in accordance with regulations and must combat the practice of doing as one sees fit, combat liberalism.

Organizing practical activities is large-scale, complex and wide-ranging work. It demands that the cadre in charge know that "measures are 10 times more important and determination 20 times more important than policy." It is ideological leadership to some extent. It is practical actions, is detailed management and coordination. It is command work. It is gaining everyone's participation. It demands knowledge of the science of organization but cannot be conducted without revolutionary zeal, without revolutionary will to struggle. It also demands that the leader's style be one of thinking, speaking and acting. His words and actions must go hand in hand. These are the subjective factors of the leader. Organizing practical activities demands the elimination of styles marked by bureaucracy and leadership purely by fiat or paternalism and arbitrariness. The tasks of the revolution and the demands of life are always urgent and acute. Delays, conservatism and bureaucracy cannot be tolerated. To the contrary, only by displaying activism, initiative, creativity and determination can the leader, can the person who organizes practical organizational work motivate the apparatus on the lower levels and the masses to involve themselves in the performance of established tasks.

Organizing practical activities demands that we not be conservative or slow to act. However, we must also not be reckless or blind, not be careless or

sloppy, not fail to calculate efficiency or to prepare the conditions needed to perform each job. It demands dynamism and creativity as well as strict adherence to principles and an appropriate degree of caution. Being quick to discover that which is new, conducting pilot projects and summarizing and drawing experience and then disseminating it on a widespread basis with attention to the specific characteristics of each area and locality are the correct path to follow in practical organizational work.

Organizing practical activities demands thoroughness, demands regular supervision and inspection and demands that activities be strictly maintained until each established task is completed. No job or task can ever be thoroughly completed by "leaving things unfinished" or "doing things half-way." Only by regularly conducting inspections and giving attention to information from various sources and the events taking place is it possible to engage in analysis and promptly provide guidance by means of correct decisions.

The effectiveness of practical organizational work is closely tied to mass movements. However, instead of only looking at the spirit displayed by the movement on its surface, we must examine the substance of the work being performed. High productivity and efficiency, good quality and thorough and full concern for the living conditions of the laborer, these are the most accurate standards for evaluating practical work and the ability of the leader to perform practical organizational work. When this ability is improved, the leader will be like a decisive, exact and all-embracing conductor who creates the harmony and rhythm of the entire orchestra, from which will emanate the beautiful melody of the music of life.

#### FOOTNOTES

1. Le Duan: "Cach mang xa hoi chu nghia o Viet nam," [The Socialist Revolution in Vietnam], Su That Publishing House, Hanoi, 1984, Volume IV, p 480.
2. Le Duc Tho: "Nhung nhies vu cap bach cua cong tac xay dung Dang," [The Urgent Tasks in the Building of the Party], TAP CHI CONG SAN, May-1986, p 20
3. Marx-Engels: "Selected Works," Su That Publishing House, Hanoi, 1981, Volume II, p 250.
4. "X.Y.Z.: Sua doi lo loi lam viec," [X.Y.Z.: Changing Work Methods], Su That Publishing House, Hanoi, 1955, p 19.
5. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1977, Volume ., p 249.

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## CONCERNING SOCIALIST SPORTS ETHICS

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 70-73, 89

[Article by Tran Nguyen]

[Text] The activities conducted on the highest levels of sports are followed by hundreds of millions of persons. It can be said that no other activities in cultural and spiritual life touch the life of society so extensively. The Olympic Games, world cup soccer matches and so forth are eloquent proof of this remarkable attraction.

But sports only generate enthusiasm when they are performed on a high level of art and in the genuine spirit of sports. Sports are not beautiful if they are played for pragmatic purposes, played only with a passion for winning, regardless of how great the talent displayed might be. Moreover, sports then leave the spectator with an unpleasant feeling. A typical example of this was the soccer team of the Federal Republic of Germany, which was a talented team but played in a lackluster manner against the Austrian team in order to knock the Algerian team out of the Espana 82 world cup soccer competition.

The central characters in sports are the athletes. The more outstanding the talents and ethics of athletes are, the more they inspire and teach others, the more they spread their beauty. Their names live on with time. The sports world has athletes whose talent and pure ethics are truly deserving of praise. Stevenson, a Cuban athlete and the winner of many olympic gold medals, is one such person. The U.S. imperialists, long accustomed to buying and selling athletes, in a scheme to lure him into betraying his motherland, made an offer to buy him for tens of millions of dollars. But Stevenson told U.S. sports managers to their faces: my worth, my life is competing for the Cuban motherland!

In our country, sports events have been an attraction for many years and have sparked much interest. Spectators leave athletic fields completely satisfied because they have witnessed spirited, hard-fought competition among athletes.

Many men and women athletes, although the country's circumstances have made their lives very difficult and hard, have still maintained their wholesome way of life, their pure qualities and virtues in steadfast efforts to train and cultivate their skills as well as in competitions at home and abroad. Many



persons have recorded good results and their achievements are no less than those of the outstanding athletes of some other countries. Besides sports medals, they have been awarded labor medals by the state. Many of these athletes have become core cadres, become leaders of the physical culture and sports sector. In different job positions, they are playing an effective role and making effective contributions to the country's physical culture and sports and have helped to train a corps of athletes and successful cadres whose abilities and achievements exceed their own.

However, in recent years, some negative phenomena have emerged in sports, the serious nature of which is, in some respects, deserving of concern. The following perplexing things that occurred during last year's class A soccer competition are an example.

The majority of the summer teams that participated in the matches violated socialist sports ethics to one degree or another. Feigned competition was a rather widespread phenomenon. A real match for a national championship turned out to be uninteresting, far worse than an ordinary practice session. One team that had once won the championship lost to a weak team by a shocking margin! Some teams played very roughly, even committing acts of violence against referees, or openly played to lose. They employed every tactic and trick they could despite the displeasure and disapproval expressed by the public. On the sidelines and along the road leading to the field, persons huddled in groups and went back and forth conspiring, fixing matches and handing out gifts and presents. Many persons in different positions of responsibility and jobs engaged in this negative behavior: athletes, cadres, trainers, cadres in charge of physical culture-sports in some localities and sectors and so forth.

Why do such negative phenomena occur? Where do the direct and underlying causes of these phenomena lie?

Behind every action is a motive. Strong soccer teams want to finish in first place in competitions. Weak teams want to avoid falling into last place. And, at stake will be regard to the place in which a soccer team finished is its achievement, the reputation of the locality, awards, banquets and so forth. Some persons justify their wrongdoing as "clever tactics." Others defend what they do by saying: "Everyone conspires. It would be stupid for me not to do it, too. I would only be hurting myself." In the face of public criticism, some persons admit that their actions are "unethical but legal, because the referees certify the results, the score," etc. Never has there been such a confusion of right and wrong!

Sports activities must be aimed at achieving the full and balanced development of physical fitness and athletic skills, of the style and ethics of the new man. At the same time, they must bring to the life of society a cultural and spiritual value. A sports achievement or record is only recognized when it is recorded through the real strength of a team or individual athlete in the spirit of competing to the very best of their ability. The place in which a team or individual finishes in sports is only of value when it reflects the real talent and skill of each team or athlete. Chasing after achievements and ranking by resorting to every conceivable tactic and being spurred by the

unwholesome motives of pragmatism, which is alien to the noble goals of physical culture and sports, of sports competition, is the cause of the emergence and development of negative phenomena not only in soccer, but in a number of other sports as well.

This situation points out the shortcomings in the management and the political, ideological and ethical education of athletes and trainers on the part of the physical culture-sports management organizations of the various levels and sectors and the basic units that have soccer teams. In athlete training plans, little importance is being attached to the requirement of training athletes in politics, ideology and ethics. In coaching and the management of sports activities, timely steps have not been taken to address this problem and the actions taken to deal with negative phenomena have been neither determined nor earnest. Even more serious is the fact that some cadres in charge of physical culture and sports in some localities and units, because their thinking leans very heavily toward achievements and standing, have played an active role in causing these negative phenomena.

Not allowing the negative phenomena in social life to infiltrate sports and, at the same time, not allowing the negative things in sports to have an adverse impact upon the cultural and spiritual life of society, this is an important task of the responsible organizations, most importantly the agencies in charge of physical culture and sports. In keeping with this spirit, we support the notice issued by the Standing Committee of the 1986 National Class A1 Soccer Competition approving the conclusion reached and the disciplinary action taken by the Class C Organizing Committee in the case of the persons who prevented the match between the Saigon port team and the Hanoi public security team at the Long An Field on 27 April 1986 from being completed.

The Vietnamese athlete is a model of the new, socialist man. The qualities and ethics of the athlete are basically the qualities and ethics of the new man. They are: loyalty to the fatherland, to socialism; the spirit and attitude of working to build socialism and defend the fatherland; academic knowledge; the beautiful thinking and feelings of the new man; and the ethics and style of the new man in the field of physical culture-sports and in one's personal life.

Through these basic qualities, the ethics of athletes assume distinctive characteristics that stem from the nature of athletic activities. The life of man is long. However, the competitive life of an athlete, generally speaking, lasts for roughly 15 years, that is, as long as the athlete remains in top shape and retains the strength and the emotional and spiritual stamina required for intense athletic training and competition.

A true athlete, in conjunction with forging and cultivating the qualities of the new man under the new system, must exhibit the qualities and ethics of the athlete in the following areas:

He must consciously train on his own initiative, train regularly and hard with a high degree of athletic intensity and a high level of effort. This is the special form of labor of the athlete, the product of which is an athletic standard, an athletic skill reflected in athletic achievements and records.

He must display the genuine spirit of sports. When on the playing field, he must compete honestly and do his best to record the highest achievement that can be recorded. "Without waging a tenacious fight, there can be no glorious victory"--this is the precept for everyone who wants to become a soldier and also for everyone who wants to set a record on the sports front.

More than anyone else, the athlete must lead a moderate and wholesome everyday life and reject all the temptations that are so very harmful to sports endeavors (opium addiction, a depraved life and so forth).

The athlete must approach athletic activities and competition with pure motives, his goals being to mold the new man and build a wholesome cultural and spiritual life and his desire being to reach the pinnacle of achievement and bring glory and pride to the fatherland, to his birthplace. This is a political quality and, at the same time, is the basic standard of the character and ethics of the athlete under the socialist system. It is this that is the source of all beautiful thoughts and feelings, that is the solid gold guarantee that the values represented in athletic achievements and records are genuine.

Every possible interesting and captivating approach must be employed to cultivate and create these pure qualities and ethics in athletes, beginning when they are still teenagers and children, when their athletic talents first emerge. We must cultivate these talents and sports ethics at the same time, beginning in childhood. Therefore, the sport talent schools and classes of the localities must have instruction and training programs, policies and subject matter that are comprehensive, that encompass special skills, academic subjects and ethics to insure that they build a corps of athletes whose development is well balanced from the standpoint of both talent and ethics. Every tendency to give light attention to the teaching of politics, ideology and ethics in sports talent schools is a mistake and is harmful.

The trainer is the teacher of special skills. At the same time, the trainer is also the person who teaches ethics to the athlete. The trainer, more than anyone else, has the greatest responsibility and prestige and the best conditions for cultivating the ethics of the athlete. As a teacher who lives with athletes and participates in their training, the trainer usually makes a profound impression upon his students. Each of his words and actions has a very large impact upon the athlete. The training is an educator. He must always be highly conscious of his role in training the next generation of athletes for the country. The trainer must endeavor to cultivate in himself increasingly high skills and prestige.

We must generate a mass movement to praise and make examples of talented athletes while criticizing unethical behavior by athletes in competitions as well as their everyday lives. On the other hand, we must denounce opium addiction and gambling of every form and get rid of athletes who collaborate with gamblers to undermine wholesome sports competitions. Here, the role played by the press is very important. Bringing to light and praising in a deserving manner practices that are good while thoroughly criticizing practices that are not good in the field of sports are an important task of the press. It is very necessary to combine public opinion, of which

propaganda and press organizations are the representatives, with the efforts of physical culture-sports agencies in order to select for praise teams and athletes who typify the new style and ethics of sports.

The primary responsibility for training and building the force of athletes in the different sports lies with the agencies that manage physical culture and sports from the central to the local levels and with those basic units that have athletes and sport teams. We must not be so pragmatic that we forget the teaching of ideology. In conjunction with measures and policies that provide appropriate material support so that athletes can improve their physical fitness and technical skill, we must give appropriate attention to managing athletes and teaching politics, ideology and ethics to them. The specifics involved in the cultivation of socialist sports ethics must be incorporated in regulations on managing and building sport teams. These regulations must be strictly observed by units that have sport teams, by all trainers and coaches, all talent schools and training centers and facilities. The statutes on sport championships, from the central to the local levels, must include specific provisions concerning the ethics and style displayed in competitions and in everyday life. We must appropriately praise units and athletes who display good ethics and record achievements. At the same time, we must resolutely and promptly take action against persons who violate ethics in their daily lives and in competitions. It has come time to examine the qualifications of athletes who are addicted to opium, who gamble and "sell out," regardless of how talented they might be. Rightism and an indulgent, form for form's sake attitude in the face of negative phenomena are not only shortcomings in the management and education of athletes, but also amount to tolerating social ills in sports. Persons whose ethics and style are not good should not be allowed to be trainers or coaches.

The highest prize that sport teams and athletes can win is to have their talents and ethics admired and respected by the people. Therefore, it is very necessary that we give outstanding athletes who record high achievements the encouragement, praise and awards that they deserve. But is it not excessive to give the home soccer team that avoids finishing last or finishes higher than it did last time the same formal and boisterous welcome afforded to victorious war heroes? Appropriate praise and strict penalties are of importance in developing upon positive factors and making inroads against negative phenomena in sports.

Genuine sports ethics and achievements are not only the labor achievements of athletes and trainers, but are also a source of pride to those persons who brought them into the world and raised them.

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## DINH HOA MOVES STEADILY FORWARD

Hanoi TAP CHI CONG SAN in Vietnamese No 8 Aug, 86 pp 74-79, 84

[Article by Ly Xuan Lai, secretary of the Dinh Hoa District Party Committee]

[Text] Together with the other districts of the country, our Dinh Hoa District is actively and urgently preparing for the party organization congresses on the various levels in advance of the party's 6th National Congress. Our district party committee has discussed, debated and seriously evaluated the jobs that have been performed during the past 5 years on many different occasions and prepared guidelines for the years ahead. We have begun to draw a number of experiences in the following areas of our work:

### 1. Actively Developing the Strengths of the Locality and Taking Steps Toward Making Dinh Hoa a Prosperous and Strong District

Dinh Hoa, a district that lies in the foothills of Bac Thai Province, measures 50,026 hectares. It has 6,910 hectares of agricultural land and 32,300 hectares in forest land. The people of Dinh Hoa have long earned their livings through the cultivation of rice and cassava and the harvesting of forest products. On the basis of directives and resolutions of the upper level and taking into full consideration the special features of the district's land, labor and economic potentials, our district party committee gradually established appropriate production guidelines aimed at thoroughly developing the strengths of the locality. We have defined the strengths of Dinh Hoa as rice (with 4,215 hectares under cultivation), tea (with 1,000 hectares under cultivation) and the harvesting of forest products. Therefore, during the past 5 years, we have focused our investments on developing these strengths and tried to create a position from which the district can steadily develop.

In agricultural production, we have attached foremost importance to expanding the amount of area under the cultivation of rice and practicing intensive cultivation to raise rice yields in order to insure that Dinh Hoa supports itself and gradually increases its contributions to the state. Our policy has been to accelerate the clearing of land and the restoration of fields to production while making full use of all fields on which rice can be grown. On the other hand, because the amount of area under the cultivation of rice in Dinh Hoa cannot be expanded by much, we have had to focus our investments on

intensive development and raise crop yields. The basic measure we have taken has been to implement the intensive cultivation guidelines of actively building water conservancy projects, using new varieties of rice, using more fertilizer and applying advanced techniques.

In water conservancy, on the basis of the special features of the district's water sources, we have attached importance to building small-scale water conservancy projects, making full use of natural sources of hydropower and building dams and reservoirs to control water sources. Where possible, we have combined water conservancy with the construction of small hydroelectric power stations to provide electricity to operate pumps and provide lighting for cooperative members. As of the end of 1985, the district had constructed more than 600 dams and reservoirs and 7 hydroelectric power stations with a capacity of 10 to 15 kw. As regards crop varieties, as a result of establishing effective sources of irrigation water, we have been able to introduce new, high yield varieties of wet rice in production. As regards fertilizer, we have encouraged cooperatives to increase the use of organic fertilizer (by producing green manure and making full use of livestock manure). The district has also helped cooperatives to boldly apply technical advances and establish high yield rice growing areas measuring a total of several thousand hectares.

As a result, more than one-half of the district's villages are now achieving average rice yields of 5 tons per hectare or more for the entire year. In particular, the Hong Quang Cooperative in Trung Luong Village, despite many difficulties with irrigation water and as a result of performing good water conservancy work and boldly applying technical advances in production, has produced a yield of 8 tons per hectare, thereby opening new prospects with regard to raising rice yields through intensive cultivation. The district's total grain output rose from 16,361 tons in 1981 to 19,120 tons in 1985.

Along with practicing intensive cultivation to raise rice yields, it has also been the policy of our district party committee to make full use of the land in hills and terraces to increase the cultivation of cassava, considering it to be the second most important grain crop behind rice. Although the ethnic minorities of Dinh Hoa have the habit of raising and eating cassava, cassava production was once very haphazard. The cassava that was planted was not cultivated or fertilized and plantings even spread into forest land. At many places, cassava cannot be harvested until 2 to 3 years after planting. As a result, yields were not high and forests were destroyed. To correct this situation, our district helped the villages to formulate socio-economic development master plans, in which specific areas are zoned for the cultivation of cassava, and instructed cooperative members in the techniques involved in the intensive cultivation of cassava. Cassava production was incorporated in the plan and gradually put on a regular basis. In 1982, the cultivation of cassava was expanded to 706 hectares. In 1985, it was increased to 805 hectares. The expansion of cassava production has helped to develop livestock production within the district and enabled us to supply thousands of tons of fresh cassava to the lowland districts and provinces. There is still much that Dinh Hoa can do to develop cassava production. The problem lies in adopting a correct incentive policy and establishing good processing methods. We are looking for way to encourage cooperatives and

their members to make dried cassava slices. At the same time, we are preparing to build cassava flour mills. If this work goes well, we will open a new avenue in the ways we earn a living and be able to incorporate much more cassava in the diet and expand our economic ties with associated units.

The cultivation and processing of tea are a major resource of our district. Although we have only been developing tea production for 20 years, the tea plant has been shown to be very well suited to the soil of Dinh Hoa and has rapidly become the locality's "special product" and one of the products for which Bac Thai is "famous." We have established 26 cooperatives specializing in the cultivation of tea. At the same time, we have attached importance to increasing the amount of area under the cultivation of tea and promoting intensive cultivation to raise tea yields. In 1981, Dinh Hoa had only 680 hectares under the cultivation of tea. This figure rose to 900 hectares in 1985 and is projected to reach 1,000 hectares in 1987. Tea output rose from 1,184 tons in 1982 to 1,797 tons in 1984. In 1985, the district sold to the state 330 tons of dried tea.

Dinh Hoa has rather large forests, which contain many types of valuable wood and forest products. A considerable quantity of wood and forest products can be harvested each year, some of which are very good raw materials in the manufacture of exported handicraft goods. Each year, we supply to the state a few million palm leaves, several hundred thousand pieces of tre bamboo and rattan, a few thousand tons of raw materials used in the production of paper pulp... However, for many years, we only emphasized harvesting the forests and gave little attention to repairing the forests and carrying out afforestation. Each year, as many as 500 hectares of forests were being destroyed. Since 1981, we have attached special importance to protecting and repairing the forests and planting new forests in conjunction with harvesting forest products. We have required that villages formulate forest development planning, effectively carry out the settlement of nomads campaign and gradually turn land and forests over to cooperative member families for their management. All villages have been trying to quickly put an end to the destruction of forests and eventually repair the forests on a regular basis. Today, all villages within the district have completed the assignment of land and forests to cooperative member families for their management. The amount of area on which forest regrowth has occurred and on which new forests have been planted in Dinh Hoa has steadily increased. During the past 5 years, we planted 70 hectares of new forests, mainly Manglietia trees, Bo trees and palm trees. We have also planted 380,000 trees at individual sites.

To increase the sources of food and create the conditions for the development of crop production, we have adopted the policy of promoting livestock production. The natural conditions of Dinh Hoa are very well suited to the development of the raising of the species of large livestock. We have focused our investments in order to rapidly increase the size of the buffalo and cattle herds. In 1981, the buffalo herd numbered 9,680 head. In 1985, this figure rose to 11,524 head. With this buffalo herd, we have achieved self-sufficiency in draft power and annually supply 50 to 80 buffalo to delta provinces. Changes have also occurred in cattle production. Years ago, only Linh Thong Village and Kim Phuong Village raised much cattle. During the past few years, as a result of enacting correct incentive policies and applying the

contract policy in cattle production, collective cattle herds have grown rather rapidly. Many cooperative member families have boldly begun to raise breeding cattle. Some families raise 5 to 7 head. The hog herd has also developed strongly. Since 1981, it has increased in size at the average annual rate of 4 to 5 percent. The district now has some 23,000 hogs. We exceed our obligation on the sale of food products to the state by 1 to 5 percent every year.

As a result of the development of production, the standard of living within the district has been steadily improved. For the past several years, each citizen of Dinh Hoa has enjoyed an eating standard of 25 to 28 kilograms of grain per month. The entire district has resolved the grain problem while fulfilling the obligation to contribute grain and food products to the state, thereby laying the initial groundwork for continued steady progress.

## 2. Developing the Strength of Unity Among the Different Nationalities in Order To Build the District, Build the New Life

Living in Dinh Hoa are nine fraternal ethnic groups, the Tay, Kinh, Nung, Cao Lan, Son Chi and others. The Tay make up 58 percent of the population, the Kinh, 26 percent. Between 1962 and 1964, our district received 12,000 persons coming from Thai Binh Province to build new villages. Dinh Hoa's population of more than 66,000 includes persons from 12 different provinces in the North. However, throughout the course of the long and difficult struggle to produce and fight in defense of the fatherland, the district's fraternal ethnic groups have remained united and close, have helped one another to overcome each difficulty. We can say with pride that the nine ethnic groups within the district are brothers and sisters of one family, that ethnic unity is a valuable tradition of the district, is a strength that has helped us to make steady progress.

This solidarity and closeness among the different ethnic groups exist mainly because our party organization has gained a thorough understanding of and seriously implemented the party's nationalities policy. By means of political and ideological education and in all specific jobs performed on a daily basis, we have displayed a consistent spirit: the ethnic groups living within the district are equal in labor, equal in terms of their obligation to defend the fatherland, equal from the standpoint of rights and equal in the eyes of the law. We have been trying to bring the light of the party to each household and each ethnic group within the district. We have mobilized the people of the various ethnic groups to open and build roads from the district to the villages and from one district to another. Today, automobiles can easily travel on all roads of the 24 villages within the district and the district has favorable conditions for transporting goods between the district and its villages and expanding cultural intercourse among the different ethnic groups.

The realities in Dinh Hoa District have shown that the conditions which guarantee equality and unity among the ethnic groups are mainly developing production and improving the material life of the people. However, one extremely important factor is the need to constantly look after the material and spiritual lives of the various ethnic groups. We have concerned ourselves with promoting cultural, educational and public health work and have



campaigns among the people to establish the new way of life. The public health system in the 24 villages has been strengthened. Everyone who is sick or in childbirth can go to the public health facilities of the villages and district. No longer do some persons believe in sorcerers. The prevention of diseases and epidemics is carried out regularly. The education system has developed in both size and quality. The district has 27 basic general schools and one middle school. All three education sectors--general school education, kindergarten education and supplementary education--are rated among the best in the province. Many advances have been made in the movement to eradicate corrupt customs and establish the new way of life. In many villages, the party committee and administration have guided the people in organizing weddings and funerals in accordance with the new way of life.

We consider the training of the corps of ethnic minority cadres to be the important factor guaranteeing ethnic unity. In the assignment of cadres, there was once a time when we only approached the ethnic makeup of the corps of cadres in a form for form's sake manner and did not give full attention to cadre standards. Therefore, not only did we fail to achieve the strength of the corps of cadres, but also failed to build stronger unity and consensus. Gaining experience, we have given much more attention to training and building a pool of cadres. We now consciously look for and cultivate activists, even among general school students. Specifically, we select from among general school graduates a number of persons who show prospects, assign them a number of jobs to forge their skills and then send them for training at schools of the district and province. Cadres are promoted, assigned and reassigned on the basis of standards. As a result, from the district to the basic levels, the corps of ethnic minority cadres has steadily grown. Many of them have performed the work assigned to them well and are truly the nuclei uniting the ethnic groups of the district.

### 3. Building Solid and Strong Basic Organizations of the Party and Managing the Corps of Party Members Well

In the process of endeavoring to build a solid and strong district party organization, we have given attention to strengthening and building the basic organizations of the party. In our district, facts have shown that places at which the movement is weak are generally places at which the basic organization of the party is experiencing problems that need to be examined, at which internal unity and party discipline are not strong, the corps of cadres is incompetent... In 1982, of the district's 42 basic organizations of the party, 9 were weak and deficient, 22 were above average and 11 were solid and strong. This situation demanded that we build strong and solid basic organizations of the party in order to build a strong and solid district party organization. And, to do this, we have had to maintain, improve and increase the number of advanced model units while helping weak and deficient basic units to improve themselves. With the assistance of the district party committee, basic units analyzed their weaknesses and strengths and set a correct course for themselves. In our district, most of the party organizations and party chapters that were weak and deficient for many years were found in areas that were base areas during the resistance against France. We thus asked ourselves: was it the thinking of being a "meritorious official" and a "handle with care" approach and laxity on the part of the

upper level that caused this stagnation at these places? In the case of these places, after soliciting the opinions of the provincial party committee, we took determined disciplinary action against party members who had degenerated and become deviant, required that party members engage in self-criticism and criticism properly, mobilized the masses to contribute their critical opinions of party members and the leadership of the party chapter and reassigned a number of key cadres, thereby making it possible to gradually increase the fighting strength and improve the leadership ability of party chapters and party organizations.

As part of building and strengthening the basic organizations of the party, we have concerned ourselves with training cadres on the basic level. We rated the core cadres of all basic units within the district and, on this basis, set detailed training guidelines for each job title. During the past 2 years, we sent 48 comrades to provincial and central party schools and held on-the-job training classes in economic management for 240 comrades. We have a high assessment of the role played by the district party school in the elementary and advanced training of basic level cadres. However, were we to rely solely upon the district party school, we would be unable to promptly meet requirements. Along with strengthening the operations of the district party school, we have organized training classes in one cluster of villages after another and achieve good results. In 1984 and 1985, holding classes for a cluster of villages helped 430 party members to complete their studies under the elementary program in theory and enabled all party chapter secretaries within the district to receive training in leadership methods. The district party committee has also been helping the villages to formulate cadre and cooperative planning. To date, 18 of the 24 villages have completed their cadre planning. On the basis of this planning, the district has adopted a plan to train a corps of cadres that meets standards and meets the requirements of new tasks.

In conjunction with cadre training, we have also attached importance to the education and management of party members and to assigning each party member to a job. In past years, many party chapters assigned jobs to party members on the basis of the "three plans" but did not inspect or evaluate the results achieved by them. In some party chapters, some party members were not accepting the jobs assigned them by the chapter and party members were not fulfilling their role or exerting their impact among the masses. To correct this shortcoming, we required that party chapters re-examine and re-evaluate their corps of party members and assign specific jobs to them on the basis of the capabilities of each person. We have taken determined action in cases of persons no longer qualified to be party members. Between 1981 and 1985, our district expelled 102 persons from the party. Today, 100 percent of the party chapters within the district have seriously implemented the assignment of jobs to party members, regularly supervise and inspect the work of party members and have gradually put the management of party members on a regular basis. At one time, 40 percent of the members of the Trung Luong Village party organizations, particularly retired party members, did not accept the jobs assigned to them. During the past several years, this party organization has assigned clearly defined jobs to its members and has regularly inspected their work. Every party member has a book to keep track of the performance of assigned tasks. In this book they record the work that must be done and the

observations and evaluations made by the party chapter each month. This assignment of tasks is done in public before the masses so that they can inspect what is done and contribute their opinions. This thorough approach has helped party members to achieve higher party consciousness. In 1984 and 1985, of the 46 basic organizations of the party within the district, 26 were rated solid and strong, 17 were rated above average and 3 were rated weak. The Dinh Hoa District party organization has been nominated for recognition as a solid and strong party organization.

#### 4. Improving the Style of Leadership and Work Methods of the District Party Committee

The changes and progress that have occurred in Dinh Hoa over the past several years have also been the result of the district party committee gradually improving its leadership and guidance and developing its role as leader of the basic organizations. Together with strengthening the district party committee by putting on the committee young cadres who possess leadership and management skills (the average age of district party committee members declined from 42.7 in 1981 to 40.5 in 1984 and 50 percent of district party committee members have a college or middle school education), we have tried to revamp the committee's style and methods of work. Our district has established a rather strict set of work regulations. For example, we have stipulated that the duty section of the district party committee meet on Saturday of each week to exchange views. The standing committee of the district party committee meets once each month. The district party committee itself meets once each month. On the 25th of each month, party chapters hold their meetings and, on the 28th, party committee secretaries travel to the district seat to report on the situation. On the 30th, the offices and sections meet to review the work performed during the month and set guidelines for the coming month.

We have been making efforts to perform our work on the basis of the principles of democratic centralism and collective leadership combined with personal accountability. Drawing experience from previous years, the district party committee is determined to cultivate a thorough and detailed style of leadership and guidance, the style of always being in close touch with basic organizations, with the masses. In addition to their specialized jobs, each party committee member has also been put in charge of a number of villages.

Leadership backed by inspections represents a new change in the style of leadership within our district. There was a time when we did not attach appropriate importance to inspections, particularly to inspecting the implementation of party directives and resolutions. We did little by way of summarizing and drawing experience from work that had been performed. "Unfinished work" and "mobilization" but not "action" were rather widespread. Sometimes, the district party committee would adopt a work program but no one would know how well it was subsequently being carried out. Now, we consider inspections and supervision, consider conducting reviews and drawing experience to be indispensable parts of leadership and guidance. In addition to regularly inspecting the implementation of the resolutions and directives of the upper level and the district party committee, we also inspect the activities of the party chapters and basic party organizations. In 1983, we conducted comprehensive inspections of eight party organizations. In 1985, we

inspected 24 party organizations. As a result, we have been able to evaluate and rate basic organizations more accurately.

During the past 5 years, although our district has begun to create a position from which rather solid progress can be made, we see that we still must make very many efforts in all areas in order to meet the requirements we face.

At present, we are experiencing a very serious shortage of cadres, particularly key cadres and highly specialized cadres within the various sectors. Meanwhile, we are experiencing more than a few difficulties in the training of cadres. The standards that our students meet are, generally speaking, still low compared to general requirements. Very few students have the marks needed to enter colleges and middle schools. Meanwhile, because procedures and policies are irrational, some graduates of our schools do not want to work in the mountains. We plan to correct this situation by contacting colleges and having them send persons here to study, with all costs being paid by our locality. These persons will be included in the district's cadre planning. On the other hand, we will give more attention to general school education and create favorable conditions for the children of the ethnic minorities to attend general schools in order to create a pool of cadres for remote, wilderness villages.

The forest industry is a strength of the district. However, we have not done much to develop this industry nor have we established a profitable business model. We are trying to increase the percentage of the labor force working in the forest industry to 15 percent (from the current level of 5 percent) within the next few years and will enact appropriate policies designed to encourage each cooperative member to participate in afforestation and the repair of forests, thereby rapidly increasing the sources of revenue from the forests.

Our goal is to make Dinh Hoa a district that has an agro-forestry-industrial structure. At present, however, Dinh Hoa's industry is very small. Small industry and the handicraft trades only account for 5.6 percent of total income. We will try to open new trades and increase the percentage of income produced by small industry and the handicraft trades in two ways: producing building materials (bricks, lime and stone) and producing export goods and processing agricultural and forest products.

Clearly aware of our shortcomings and weaknesses, we will discuss them at the upcoming congress of the district party organization and adopt corrective guidelines and measures so that we can continue to advance the district's movement and endeavor to make Dinh Hoa increasingly prosperous and strong.

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## WHAT DOES THIEU YEN SHOW US?

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 80-84

[Article by Le Tam Huong]

[Text] For many years, the Thieu Yen District party organization faced pressing questions: why were the people of Thieu Yen, which lies in a rice growing area, living in hunger? Why did Thieu Yen, through which three rivers run, annually experience drought and waterlogging? Why, with the abundant potentials in its labor, arable land and minerals, were the material-technical bases of Thieu Yen so poorly developed?

In the movement to build the district and strengthen the district level and in keeping with Thanh Hoa Province's strategic guidelines of "moving forward on the basis of grain and exports" and then "moving forward on the basis of grain, exports and the production of a wide variety of goods," Thieu Yen found ways to resolve its difficulties in order to advance at a rapid rate and bring about strong and very encouraging changes. Agriculture has developed strongly, especially grain production. In 1985, the production of exports and the export business stood at a level 15 times higher than on the day that the district was formed through the merger. A new system of material-technical bases has been and is being constructed to effectively support production and everyday life. As a result, grain production has steadily increased: from 70,551 tons in 1981 to 86,790 tons in 1985. The standard of living has been stabilized and markedly improved: in 1985, grain consumption per member of the agricultural population reached 461 kilograms. Contributions to the state have steadily risen: 6,522 tons in 1981 and 25,762 tons in 1985...

From the way of thinking and working employed by Thieu Yen to make the progress that it has over the past several years, valuable experiences can be drawn.

1. Displaying the Spirit of Initiative and the Sense of Self-reliance and Moving Forward on the Basis of One's Specific Conditions and through One's Own Efforts

In the movement to build the district level, Thieu Yen was not selected as a pilot project district. However, realizing the strategic significance of the district level, the comrades in Thieu Yen took the initiative and "acted on

their own" in accordance with the general policy. Established in August 1977 through the merger of the 25 villages of former Yen Dinh District and the 15 villages of former Thieu Hoa District, Thieu Yen District was a weak district. The district's terrain is rather complex, ranging from 15 meters above sea level at its highest point to 2.8 meters above sea level at its lowest point. Some 25 percent of its farmland was depleted. Production was based on monoculture and unstable and yields were low. By 1951, the district still had not crossed the 4 tons of rice per hectare "threshold" and its peanut yield was the lowest in the province. Some 40 percent of cooperatives were weak and deficient. However, Thieu Yen had confidence in its own strength, in the potentials lying in its labor and arable land: a population of 201,129 persons whose revolutionary tradition dated back to 1930, 9,800 of whom were party members and 75,000 of whom were laborers; 1,000 square meters of agricultural land per capita; abundant limestone, sand and clay; more than a few traditional handicraft trades being practiced among the people...

Clearly understanding their district's special characteristics, the comrades in Thieu Yen decided to concentrate on developing agriculture and forestry in a comprehensive manner and at a high and stable rate, with emphasis placed on grain production, while establishing an agricultural product processing industry, expanding the trades among the people and developing the traditional trades with a view toward establishing an agro-forestry-industrial economic structure, the development of which is oriented toward large-scale, socialist production, firmly resolving the grain problem, producing many export goods, steadily improving the standard of living and making increasingly large contributions to the state. However, the problem we faced is that we needed to have initial capital in order to implement these correct guidelines.

How were we to acquire initial capital?

Instead of relying upon the state, Thieu Yen took many measures that reflect a high spirit of initiative and sense of self-reliance, most importantly vigorously upholding the right of collective ownership of the laboring people, relying upon the people and mobilizing their efforts in order to acquire the necessary materials and equipment. The comrades in Thieu Yen realize that the people must be given an understanding of all jobs that are in their interest. The people must be made to feel that they want to perform these jobs, that they must and will perform them regardless of how difficult they might be.

For example, water conservancy was established as the measure of foremost importance. However, virtually resolving the problems of waterlogging and drought required that we have numerous electric pump stations and make large investments of labor and money. We could not sit and wait for the state. What Thieu Yen did was to mobilize the accumulated capital of cooperatives and the labor and money of the people. This essentially amounted to the accumulation and centralization of capital for the purpose of investing in projects within the context of advancing from small-scale production. As a result, in the space of only several years (1961-1965), Thieu Yen built and put into use 25 electric pump stations consisting of 122 pumps, each with a capacity of 1,000 cubic meters per hour; installed two intermediary transformer stations; constructed 23 low voltage transformer stations; and erected more than 1,000 high voltage and low voltage electricity poles with

nearly 80 kilometers of power line. The total amount of capital invested has risen to 50 million dong(1), of which 10 million dong have been supplied by the state, 15 million dong have come in the form of self-acquired capital of the district and 25 million dong have been contributed by cooperatives and the people, not including the mandays worked by them. To date, 33 of the district's 42 villages have electricity. The remaining villages are competing against one another to save money, rice and hogs so that they can be spent on electricity for water conservancy. Generally speaking, of the capital invested in the construction of Thieu Yen's material-technical bases, the major portion, as much as 60 percent, has come in the form of contributions by basic units and the people. The province has only supplied 17 percent. The bank has provided 21 percent in loans. The district budget has supplied 2 percent. Each village has also volunteered to participate in giving the district a 10 room tile building to provide work space. This reflects the closeness that exists between the district and the basic units and the confidence that the people have in the leadership of the party and state on the district level.

In addition to directly mobilizing capital among the people, Thieu Yen has also taken the initiative in creating capital for the district by developing the production of a number of goods that have high profit margins and increasing state budget revenue sources. Thieu Yen very clearly recognizes that in order for the district to become an economic unit, become a comprehensive planning level and truly take the initiative in formulating its yearly economic development plan, it absolutely must have capital acquired on its own and a sufficiently large supply of grain and materials. During the past 5 years, using capital acquired on its own, Thieu Yen has spent 39 million dong to quickly and completely build and put into use the district state-operated fish farm and enterprises processing agricultural products, paper and fish sauce. Some 4 million dong have been spent on the repair and construction of schools. With the district's supply of several thousand tons of grain and its supply of materials, Thieu Yen has kept the standard of living stable during years of natural disasters, established economic ties to promptly meet necessary material needs, taken the initiative in redistributing labor and expanded production within the district.

Clearly, Thieu Yen's position reflects the initiative and creativity of persons who know how to achieve development using their own specific conditions and their own strength.

## 2. Attaching Foremost Importance to Economic Efficiency

In its self-reliant effort to build the district into an economic unit that is developed in every respect, Thieu Yen has attached importance to applying economic laws in management, with foremost importance attached to economic efficiency. One can cite a host of policies that have been implemented which attest to the organizational and management skills of the comrades in Thieu Yen. Thieu Yen has established economic ties with nearly 20 economic-technical units to establish new varieties of rice and acquire necessary materials and equipment. Once a project has been thoroughly planned, the necessary capital is immediately put together and the project is constructed in the shortest possible amount of time. Many enterprises have gone into

production in less than 1 year after the start of construction, such as the agricultural products processing enterprise, the fish sauce enterprise and the steel reinforced concrete boat assembly plant. In some cases, such as the paper enterprise, they have gone into production in only 4 months. To quickly meet the needs for farm implements, the district's machine enterprise was also strengthened and upgraded in a short amount of time.

To achieve higher economic returns from its new material-technical bases, Thieu Yen has, by means of every available economic measure, boldly changed the structure of production and the allocation of crops, eliminated monoculture, initiated intensive cultivation to raise crop yields and rapidly applied technical advances, such as gradually selecting high yield, pest resistant varieties of rice that are compatible with the conditions during each season and in each growing area. Low yield crops must give way to crops that produce higher yields and are of higher economic value. For example, we have reduced the amount of area under the cultivation of spring corn and do not raise spring sweet potatoes. We have put more land under the cultivation of crops of high export value, such as peanuts (200 hectares in 1981 and more than 2,000 hectares in 1985), tobacco (200 hectares), pepper (200 hectares) and castor oil plants (100 hectares). Sugarcane has been planted in place of cassava, etc.

All these changes in production guidelines have been smoothly implemented as a result of using economic levers. For example, the district sells 1 quintal of rice in trade for every ton of sugarcane supplied to the sugar mill. Consequently, it is more profitable for a farmer to raise 1 hectare of sugarcane than 2 hectares of cassava. One sao of tobacco sold to the state brings as much in income as 3 sao of rice, etc.

The district also considers it important to process agricultural products to increase their economic value: 1 quintal of ground pepper produces 5 times more in income than 1 quintal of fresh pepper. The district's agricultural products processing enterprise has a capacity of 100 tons of cakes and candies, 50 tons of noodles and 50,000 liters of alcohol per year.

As regards livestock production, in addition to buffalo, cattle, hogs and chickens, Thieu Yen has expanded its duck herd to one-half million ducks. Excluding meat ducks, the district produces a significant quantity of duck down (20 tons in 1984) for exportation in trade for materials and equipment for production.

Thieu Yen has also accelerated the production of other export products, such as corn silk carpets, jute rugs and woven rattan and bamboo ware.

A positive attitude toward work for the purpose of exceeding contract quotas in agriculture is strongly encouraged: we do not quickly increase contract quotas because they are exceeded by a wide margin as this would reduce the enthusiasm for production. At times when much paddy but less rice are produced and the overall supply of grain is significant, the district uses this supply not to generate illegitimate revenues, but to take the initiative in changing the structure of production within agriculture as well as the structure of the economy, in general, and to subsidize the people in villages



struck by natural disasters so that they are able to keep crop production on schedule.

As a result of skillfully applying economic laws, providing material incentives, combining the interests of the farmer with the interests of the state in a way that is well balanced, closely tying labor to the final product and attaching full importance to economic efficiency, each dong of capital and each manday that have been invested have produced the largest and surest possible profit as quickly as possible. Thieu Yen has gradually revamped the structure of its economy, stepped up production, improved the standard of living and made increasingly large contributions to the state.

### 3. Establishing Close Ties Between the District and Basic Units and Considering Building the District and Building Basic Units To Be One and the Same Thing

Thieu Yen has not only concerned itself with building a solid and strong district party organization and solid and strong agencies and mass organizations within the district, but has also closely tied the building of the district to building and strengthening basic units. The district can only truly be solid and strong when basic units are strong and uniformly developed. Because, it is the basic units that directly control labor and land, that directly create the result of production.

Therefore, it is the policy of our district to first help basic units to establish correct production guidelines and promptly meet the requirements necessary for basic units to implement these production guidelines well. Of decisive significance is the need to re-examine and re-evaluate the corps of cadres at basic units in accordance with the new requirements and adopting training plans.

Through the revolutionary movements of the masses, Thieu Yen has selected a corps of key cadres consisting of village party committee secretaries, village people's committee chairmen and cooperative directors who dare to think and act, are sensitive and flexible, possess the ability to organize, manage and guide the implementation of the lines and policies of the party within their units and know how to operate efficiently. In 1985, with the assistance of the province's on-the-job training center and the Hanoi College of Economics and Planning, the district held on-the-job training classes in economic management for 70 core cadres at basic units. All training costs were paid by the district, including the costs for labor sent to schools, considering this to be an investment in economic development.

To keep abreast of the situation at basic units, Thieu Yen has given its attention to both good units and weak units. Quy Loc Village (formerly the two villages of Yen Quy and Yen Loc), the district's largest, has a population of nearly 10,000 and 1,000 hectares of land used to raise rice and subsidiary food crops. Since 1978, Quy Loc reorganized its population, reorganized its production, built two transformer stations with a capacity of 280 kilowatts and 320 kilowatts and upgraded 100 hectares to two crop fields. As a result, Quy Loc has raised the yields of rice and corn. Total grain output is now 4,500 tons per year, an average of 450 kilograms per capita. It has raised

the value of industrial crops to 30 percent of the value of its total output. It earns hundreds of millions of dong from small industry and the handicraft trades and annually exports 140 tons of peanuts and 12,000 square meters of corn silk carpets. Quy Loc leads the district in the formation of capital and has put together an increasingly large village budget (the current budget surplus is nearly 400,000 dong) while contributing much to the state. It is correct for the district to have attached importance to Quy Loc. However, the district has also given special attention to investing both manpower and money in weak villages. For example, in 1980, Yen Bai Village was still a weak village that practiced monoculture and did not have effective irrigation or drainage. Living conditions in the village were difficult and although the village has no shortage of land for subsidiary food crops, its people lacked sweet potatoes. Internal unity had been lost. The district strengthened the corps of key cadres, helped Yen Bai to formulate production guidelines and a production plan and supplied it with capital and materials for the construction of an electric pump station with two 1,000 cubic meter per hour pumps. Having achieved effective irrigation and drainage, Yen Bai zoned two areas for the production of rice (an area of deep fields and an area of shallow fields), changed the allocation of crops and introduced high yield varieties in place of old varieties. In 1985, it also began raising tobacco. As a result, the yields of all crops have risen. Total grain output rose from 800 tons in 1980 to 1,800 tons in 1985. Livestock production has developed. The living conditions of the people have been improved. Internal unity has been established and obligations to the state are being met and exceeded.

By giving its attention to both ends of the spectrum, Thieu Yen has achieved uniform economic and social development within the district. Some basic units that were once weak have now become advanced units. The number of above average and advanced cooperatives has steadily grown. Only two cooperatives in the 42 villages are weak. It can be said that Thieu Yen is moving into the front rank. This can be seen in the development of production, in the people's standard of living, in contributions to the state and even in every aspect of the district's work. In cultural and social work, for example, the 42 villages have 42 basic general schools and there are 3 middle schools and 1 formal supplementary education school within the district, all of which are of permanent construction. There are enough classrooms, desks and chairs for 50,000 students. The 42 villages have 42 public health stations. The district has two hospitals with 100 beds and one area general medical examination station. The wired radio network extends to one-half of the villages. The district's movie projection corporation is meeting the film viewing needs of the people of the entire district...

With the assistance of the upper level, Thieu Yen has struggled and recorded significant achievements. The achievements recorded by Thieu Yen in agricultural production (including livestock production), exports, small industry and the handicraft and artisan trades, the building of material-technical bases, circulation-distribution, cultural and social work, national defense and security are not among the highest and, in some cases, are even less than those recorded by many other model districts. However, Thieu Yen's development has been uniform and relatively stable.

Thieu Yen must also overcome many weaknesses. The district's agro-forestry-industrial structure is only beginning to form and its industry is insignificant. The district still has many potentials but they are not being appropriately developed. Crop yields are not high. Full attention has not been given to the household economy. The scale of production and the output of export goods are still small compared to capabilities and requirements. The cultural and spiritual lives of the people are still poor. The training and strengthening of the corps of cadres continue to be a major problem. Most pressing is the need to train industrial management cadres.

However, with economic thinking that has begun to be revised and a new and efficient style of operating, Thieu Yen has created momentum that is moving in the right direction. This momentum will lead Thieu Yen to development that is more rapid, to new and larger achievements.

#### FOOTNOTES

1. Based on prices and money in effect prior to September 1985.

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## THE TAY GIANG MARKETING COOPERATIVE, A GOOD MODEL OF SUPPORTING PRODUCTION AND THE LIFE OF THE PEOPLE

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 85-89

[Article by Doan Dinh Hue]

[Text] Once a weak business unit, the Tay Giang Marketing Cooperative in Tien Hai District, Thai Binh Province has today become a unit that has earned the title "Labor Hero." Every gain made by the cooperative has involved very difficult and arduous struggle. In its many stages of challenges, the Tay Giang Marketing Cooperative has overcome each difficulty and gradually moved steadily forward.

### Organizing the Circulation of Goods Well To Support Agricultural Production and the Life of the People

During its early days, the Tay Giang Marketing Cooperative only acted as an agent for state-operated commerce. As a result, its business revenues on the rural market were small and the quantity of goods supplied by it was limited and did not meet the needs of the people. The cooperative did not develop sources of goods and, as a result, could not gain control over the rural market.

The comrades in Tay Giang realized that in order to step up production and serve the needs of everyday life, circulation had to be well organized. Therefore, they gave their attention to building and developing a marketing cooperative.

In Tay Giang, the steady development of production and living conditions has demanded that circulation develop accordingly. With the production of the collective economy and the cooperative member household economy developing and more and more goods being produced, producers, after fulfilling their obligations to the state and setting aside what they need for personal consumption, have been putting the rest of their products on sale on the market. With socialist commerce unable to organize procurements in order to control goods, these goods have fallen into the hands of private merchants, thus causing the free market to steadily grow.



At present, the forces of state-operated commerce are unable to reach basic production units and also unable to meet the large and diverse requirements of the people. As a result, marketing cooperatives must organize business on their own, develop local sources of goods and process these local goods to help meet the requirements of production and the daily lives of the people.

In 1967, the comrades in Tay Giang recognized this fact and made every effort to build and strengthen their marketing cooperative so that it increasingly fulfilled its role as the assistant of state-operated commerce, developed the services and gained control over the market in the countryside. The Tay Giang Marketing Cooperative gradually put the sale and purchase of local goods on a regular basis. It has bought whatever products farmers have had to sell. It has also sold all the products it has procured. It sells products at any time of day and also trades products for other products. As a result, the total sales revenue of the Tay Giang Cooperative has continuously risen: 1968: 183,866 dong (old money); 1973: 969,000 dong; 1980: 1,170,337 dong; 1983: 7,299,441 dong; and 1985: 27,737,120 dong. In recent years, goods obtained by the cooperative itself have accounted for a very high percentage of its business revenues (1985: 70-80 percent). This also proves that the Tay Giang Marketing Cooperative takes a very dynamic approach to the procurement and sale of goods and uses its capital in a way that yields good returns.

To support agricultural production and the daily lives of the people well, the marketing cooperative has established its business guidelines as supplying necessary goods and common farm implements for production in the countryside and promptly marketing the agricultural products and goods produced by the collective economy and the cooperative member household economy. The marketing cooperative has established close ties with the agricultural cooperative in the village. As a result, the marketing cooperative has kept abreast of needs and provided a full supply of various products for agricultural production, from seed, sickles, hoes and shovels to baskets, buckets, waterwheels, improved vehicles and stone axles, from hog and chicken breeding stock to buffalo and cattle breeding stock, from seed duckweed to seed potatoes...

In each of its different periods, the Tay Giang Marketing Cooperative has kept abreast of the situation in fields and supported agricultural production in a very dynamic, effective and efficient manner. When the agricultural cooperative was a collective production organization, the marketing cooperative served meals in fields to laborers at busy times in the season.(1) When the new contract system was implemented in agriculture, the marketing cooperative quickly gave its attention to procuring everything from stone axles to breeding buffalo and cattle (50 head) and other means of production for supply to each cooperative member household accepting contract fields. Since 1982, the Tay Giang Marketing Cooperative has regularly sold the five rationed products to each cooperative member household (fish sauce: 12 liters per year; meat or fish: 3 kilograms per year; sugar: 3 kilograms per year; bean curd or dried fish: 3 kilograms per year; sesame, peanuts or beans: 3 kilograms per year, all at prices 25 to 40 percent lower than market prices). These are the specific, practical steps taken by the marketing cooperative to support agricultural production. Partially as a result of these steps, the

yield of rice in Tay Giang rose from 5 tons per hectare in 1979 to 7 tons per hectare in 1985.

Under its function as retail sales agent for state-operated commerce, the marketing cooperative took steps at an early date to develop its own business by developing sources of goods produced by farmers within the locality, organizing the local processing of products and establishing a broad line of products. The cooperative sends persons to buy the "percentage" of crabs and salted fish that fishing cooperative members keep for themselves, which are used to process fish sauce locally. Each year, the cooperative produces more than 6,000 liters of fish sauce. The marketing cooperative has opened a food counter and a beverage counter. The products sold at these counters are made from local ingredients. The food counter sells noodles with beef, Chinese noodles, pork tripe soup and a number of other cooked dishes. The beverage stand sells ice cream, tea, fruit juice... In recent years, the food counter has organized the cooking of meat pies, meat rolls, noodles with beef and vermicelli rolls and begun making rice flour noodles in exchange for rice to provide a diet that is well suited to elderly persons and persons who are ill. The practical steps taken by the marketing cooperative have made it possible for eight households of small merchants to shift from making rice flour noodles and cakes to agricultural production.

The successful transformation of small merchants within Tay Giang--the credit for which lies with the marketing cooperative--is another very important economic and social achievement. Whenever they have a product to sell, even something very small, such as a bunch of bananas or a few eggs, farmers always look to sell them to the person who offers the highest price, even if this price is only a few dong higher. They are usually more concerned with prices than the labor they must invest in bringing their products to market, even though, in many cases, the prices that their products bring are not worth the effort. Because its profit margin is low, the procurement prices of the marketing cooperative are at least equal to those paid by small merchants and its selling prices are always about 15 percent lower. On the other hand, because the marketing cooperative has a good reputation, the masses usually sell their products to it. The marketing cooperative views procurements as controlling goods and sales as controlling money. In both procurements and sales, the cooperative operates in a very dynamic fashion. It turns its capital over quickly and earns a high net profit, even though its profit margin is relatively low. This is the very basic economic return from the cooperative's correct approach to business and support activities. In 1985 alone, as a result of developing its procurement and sales services, Tay Giang saved more than 4,000 mandays in agricultural production.

The comrades in Tay Giang have also given thought to how to organize a convenient, fair and rational procurement and sales network and mode of distribution. The first problem the marketing cooperative faced was to select suitable sites for the establishment of stores, sites that would make it convenient for the cooperative to buy and sell products and would increase its business revenues. On the other hand, the marketing cooperative also had to take care of everything from the printing of product procurement cards and record forms to keep track of payments to the establishment of a distribution section and the public announcement of each type product, prices, the

categories of persons eligible to buy these products and applicable standards. On the basis of the standards that apply to each category of persons eligible for rationed goods, the cooperative organized the packaging of ration portions of a number of products and divided into small sizes some products that were previously sold at the counters. On days when laborers are very busy, on holidays and during Tet, the stores usually take goods to production units so that they can be promptly distributed. Persons are sent by the stores to take products for sale to the homes of the families of war invalids and war dead and families who are short of help. The Tay Giang Marketing Cooperative has exceeded its plan quotas every year and its business revenues have increased with each passing year (by 186 percent in 1982, 141 percent in 1984 and 210 percent in 1985).

Through its service activities, the marketing cooperative has helped to transform small merchants and manage the market in the countryside. Its service network consists of public food, haircutting and tailoring counters and units that mill livestock feed, produce and repair furniture, repair farm implements, produce paving bricks, make rice paper for exportation, make ice cream and ice and repair electric storage batteries. As a result of developing its services, the annual revenues of the marketing cooperative have risen rapidly. The cooperative provides its services at prices 20 to 25 percent lower than private services. The service activities of the Tay Giang Marketing Cooperative during the past several years have helped to reduce the number of small merchants within the village from 197 (1976) to 5. These small merchants voluntarily went out of business and did not quit as a result of having their business licenses revoked.

#### Improving Management in Conjunction with Expanding the Cooperative's Business

The Tay Giang Marketing Cooperative maintains that while expanding its business, it must also attach importance to management. The purpose of good management is to achieve high economic efficiency and lay the basis for the expansion of business. Over the years, the Tay Giang Marketing Cooperative has operated on the basis of plans, calculated economic efficiency and expanded its business in a manner closely tied to providing good economic management. Each year, after receiving its plan norms from the district and assessing the consumer needs of the people and production needs, the cooperative formulates its own plans. Besides its plan for the circulation of goods, which is formulated for a specific period of time and each product sector and group, the marketing cooperative also formulates capital and circulation expenses plans and a profit plan. In addition, it also adopts a long-term plan for the construction of material bases and the expansion of its business (1976-1980, 1981-1985). The process of the marketing cooperative implementing its business expansion plan has also been the process of improving the management of money and goods as well as the management of labor.

Through capital acquired on its own together with capital borrowed from the bank and from the agricultural cooperative, the Tay Giang Marketing Cooperative has expanded its business activities in many different ways, through production, repair services and processing, in order to create sources of goods. It has organized the procurement of nua bamboo for more than 50



cooperative member households who weave mats under contract. As a result, it receives tens of thousands of bamboo mats each year, which it uses to support agriculture. The marketing cooperative has opened a carpentry shop which repairs and makes desks, chairs, beds, cabinets, window frames, cupboards and production tools for sale to the people. In the process of doing business on the basis of its own capital, the marketing cooperative has increased the turnover rate of capital (8 times in 1979, 9 times in 1981, 10 times in 1983 and 12 times in 1985).

The Tay Giang Marketing Cooperative attaches importance to bookkeeping and to its corps of managers. It has assigned each bookkeeper the responsibility of following and supervising transactions from the time initial paper work is issued until the conclusion of the business process. The cooperative's director, who is also its chief bookkeeper, keeps thorough accounting records for each product produced and processed by the cooperative. Whenever a new product source is discovered, the marketing cooperative calculates the economic returns from the product and makes sure that the two requirements of providing a good service and supporting the struggle to transform the market are met.

The mechanism "the party leads, the state manages and the laboring people exercise collective ownership" has been implemented well by the Tay Giang Marketing Cooperative. At cooperative member congresses, the comrades in Tay Giang attach importance to upholding the right of collective ownership of cooperative members by having them participate in building the cooperative; by strengthening the leadership and guidance of each activity by the control section; by having the persons who represent the cooperative member congress supervise all work within the marketing cooperative; by inspecting the implementation of the system of ownership by the masses, particularly economic ownership through the distribution of goods and profits to cooperative members; and even by examining the consciousness of cooperative members concerning the task of building the marketing cooperative. Of its annual profits, the cooperative distributes 50 percent to its members through product subsidies, with the remaining 50 percent being used by the cooperative in its business. The annual profits distributed to cooperative members through the sale of goods at low prices effectively support the standard of living of cooperative members and produce economic returns, as a result of which cooperative members feel closer to the cooperative and approach production with a feeling of security.

In 1985, the Tay Giang Marketing Cooperative, which began as a poor unit with little capital, had 4.5 million dong in self-acquired capital and an impressive base consisting of four stores measuring 620 square meters, 12 stands, 3 automobiles, 1 meeting hall and a relatively full supply of equipment. The Tay Giang Marketing Cooperative has also attached importance to maintaining its material base by assigning specific responsibilities to each person and group and conducting regular inspections through record books, documentation, invoices and so forth in order to avoid negative phenomena.

The economic management of the marketing cooperative complies with principles, policies and procedures. In everything from the keeping of records and



accounting to the settlement of accounts, the cooperative is recognized as a model unit.

The realities of Tay Giang have proven that good economic returns can surely be achieved in basic economic units if they provide sound economic management, make the plan the center of their operations and closely tie the plan to economic accounting and socialist business practices. Every negative phenomenon can be thwarted if they attach importance to training management cadres and fully comply with the economic management principles, regulations and policies of the state.

Besides strongpoints, the Tay Giang Marketing Cooperative must also take steps to overcome certain limitations. For example, the use of capital is still decentralized and does not focus on the development of business. In recent years, the marketing cooperative has made many investments in the construction of material bases, particularly in capital construction, as a result of which its fixed capital has increased rapidly but its business capital has grown slowly. If the cooperative learns how to turn over its capital in a rational manner consistent with its ability to carry out capital formation, it will achieve larger economic returns.

The effort to understand consumer needs in production and in the daily lives of the people in the countryside is not thorough. For this reason, the marketing cooperative has not, from the standpoint of organizing local sources of goods, given its attention to vigorously developing these sources in both breadth and depth. The large fields of Tay Giang provide many potentials for multicropping, for companion and overlapping catch crops and for the specialized production of subsidiary food crops. The marketing cooperative must hold discussions with the agricultural cooperative to adopt guidelines and zone areas for the production of suitable vegetables, subsidiary food crops, soybeans, peanuts, garlic, pepper and so forth with the aim of increasing local sources of goods and helping to provide more products for exportation. The household economy in Tay Giang still holds large potentials. While the marketing cooperative has taken steps to develop these potentials and procures agricultural and food products from this economy, the level of development achieved by the cooperative is not high.

A look at the economic activities of the Tay Giang Marketing Cooperative shows that the profits from handicraft production account for a high percentage of total profits, particularly from the production and repair of wood furniture (30 to 40 percent). This is a source of revenues in which the cooperative can do business on its own. However, in this area, the marketing cooperative should appropriately limit its activities. The production of wood furniture is not part of the marketing cooperative's function. In view of the fact that a handicraft cooperative has not been established and the trade sector within the agricultural cooperative has not been developed, the marketing cooperative can temporarily perform this work. Over the long-range, however, it would be better for the marketing cooperative to focus its efforts on providing good circulation in support of production and everyday life.

The Tay Giang Marketing Cooperative is one of the many marketing cooperatives of Thai Binh Province that started out facing many difficulties and have

gradually made steady progress without any preferential conditions of any kind and through nothing more than their own dynamism and creativity. This provides a good model of how to creatively apply the party's position concerning the development of socialist commerce under the actual conditions of one's locality with the aim of supporting agricultural production and the life of the people well.

#### FOOTNOTES

1. Between 1977 and 1979, the marketing cooperative served 182,854 meals.

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**IDEOLOGICAL ACTIVITIES: ONCE AGAIN THE SUBJECT OF 'THE PARTICULAR AND THE GENERAL'**

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 90-91

[Letter from Vu Hung with comment by the Editorial Board of TAP CHI CONG SAN]

[Text] To the Editorial Board of TAP CHI CONG SAN:

In its January 1986 issue, TAP CHI CONG SAN, in the review's "Ideological Activities" section, carried an article entitled: "The Particular and the General" by Ha Phuong.

I feel that it is necessary to exchange opinions with the author concerning a few points.

Although Ha Phuong acknowledges that "the particular and the general are one of the basic pairs of categories of the material dialectic," throughout his article, I see the author as misunderstanding and confusing the essence, the organic relationships and the meanings of "the party and the general" as one of the basic pairs of categories of the material dialectic.

The author states: "According to Marxism-Leninism, the particular is always part of the general, always reflects and is controlled by the general and the general always encompasses and is defined by the particular." The author cites an example to illustrate this more clearly: "A drop of water in the sea, a tree in the forest, an individual in the collective, a locality in the country...are one part of the whole and all are part of a relationship between the particular and the general." And, the author concludes: "Establishing a good relationship among the interests of the individual, the interests of the collective and the interests of the state is the same thing as establishing a good relationship between the particular and the general."

On the basis of this understanding of the particular and the general as well as the relationship between the particular and the general, the author addresses the issue's political and ideological significance. The author asserts that capitalism extols the particular, that it places sole emphasis upon the particular because it is "based on the particular," such as "private property," "private ownership," "individual interests" and "the selfish 'me.'" On the other hand, also according to the author, socialism, which is based on

the public ownership of the means of production and has the goal of satisfying the rising needs of all the people, "takes a dialectical and scientific view; therefore, it usually recognizes and establishes the correct relationship between the particular and the general... It does not create opposition between the particular and the general nor does it suppress the particular... It shows full respect for the particular but, while respecting and protecting the particular, also gives very much attention to the general and demands that the particular be part of and support the general. The general opens the way for the particular to function fully and achieve brilliant development while the particular does everything for the sake of the general, enriches the general" and so forth.

Having read the above, it is my feeling that the author misunderstands the essence of the pair of categories "the particular and the general" of the material dialectic and the relationship between these categories.

To prove this, allow me to cite an excerpt from something Lenin wrote on the subject of the particular and the general:

"The particular exists only as it relates to the general. The general only exists within the particular and through the particular. The particular (everything) is also the general. The general is also 'a part, an aspect, a characteristic' of the particular. Everything general only encompasses everything particular in a general way. Everything particular is not fully a part of the general, etc."(Lenin: "Collected Works," Progress Publishers, Moscow, 1981, Volume 29, p 381)

Thus, here, the particular and the general are opposites that exist objectively within each thing, phenomenon and process, are closely interrelated and mutate into one another. The particular is the philosophical category that reflects specific things, phenomena and processes that have unique characteristics not duplicated in other things, phenomena and processes, for example, a specific person (person A), a specific tree, a specific animal or a specific nation (Vietnam), a specific planet (earth), etc. The general is the philosophical category that reflects the similar features, attributes and relationships in many particular things, phenomena and processes. For example, the general characteristics of the species (plant life, animal life and man) are the exchange of matter between the body and the environment and heredity and mutation, which are evident in every plant, every animal and every human. The general characteristics of nations (be they Vietnam, the Soviet Union or the United States...) are territory, borders, population, a state administration, laws, etc.

Every thing and phenomenon represents dialectical unity between the particular and the general. The particular and the general cannot be separated, that is, there can be no general without the particular nor can there be any particular without the general. It is a mistake to only recognize the general (as the school of realism does) and a mistake to only recognize the particular (as the school of nominalism does). And, in our thinking as well as practical actions, placing sole emphasis upon the general leads to the mistake of dogmatism while placing sole emphasis upon the particular leads to the mistake of empiricism, even to revisionism...



The philosophical categories of the particular and the general are broad. I have only addressed a few basic points regarding these categories. And, I think that when we analyze an issue, we should attach importance to using and correctly distinguishing among philosophical concepts, political concepts, economic concepts and so forth because each type of these concepts has its own specific relevance.

Although Ha Phuong confuses political concepts with philosophical concepts, his zealous interest in the party's ideological work is appreciated. In this regard, Ha Phuong makes complete sense when he says that the particular interests of each of us must be subordinate to the general interests of society. This is what is worthy of applause in the author Ha Phuong.

Vu Hung

Comments of the Editorial Board of TAP CHI CONG SAN:

We endorse the opinions expressed by Vu Hung in the above letter.

We applaud Vu Hung for giving his attention to studying the article printed in TAP CHI CONG SAN and sending a letter expressing his opinions and observations.

Editorial Board  
TAP CHI CONG SAN

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## READERS' LETTERS

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 p 92

[Text] Since the day it was founded, generations of we who live in the countryside have followed the party. Having lived through the two wars of resistance against France and the United States and now living in retirement, we still go to the fields to fight on the agricultural front.

In the old days, we peasants were illiterate and severely oppressed and exploited by colonialists and feudalists. In the wars, we contributed our utmost to the liberation of the country.

Since the day that our birthplace was liberated, we have worked hard and tried to produce much paddy and rice for society. Today, the face of the countryside has undergone many changes. However, at many places there is still a serious shortage of water conservancy projects, chemical fertilizer, pesticides and technical cadres. Management cadres are incompetent. The standard of living of farmers is still low and many persons lack food and medicine. Prices have soared, thus making life more difficult.

Meanwhile, the situation at many places is very confusing. Some cadres and party members are self-serving, are corrupt, are becoming wealthy by illegal means, are bureaucratic and arrogant, are arbitrary and dictatorial. They suppress the lower level and intimidate cooperative and collective members. They are tarnishing the prestige of the party, reducing the confidence of the masses and harming the cause of the revolution. Retaining these elements in the leadership apparatus of the party and state is "asking for trouble." Yet, at many places, action is still not being taken against these elements in accordance with the party's Code of Discipline and the laws of the state. Are they being protected by some big umbrella?

If the party and state were to send persons to basic units to listen to the denunciations of these elements by the masses and then take appropriate actions against them, these corrosive elements would be removed and the confidence and enthusiasm of the masses would be strengthened.

At the same time, we also hope that the state will make appropriate investments in agriculture and create the conditions for raising the yield and output of grain and food products.

With attention by the party to purging degenerate and deviant elements, with increased investment by the state and with the efforts of farmers, we will certainly win victory on this front of foremost importance.

On behalf of a number of elderly  
farmers in Long Phu Village, Tam Binh  
District, Cuu Long Province

Nguyen Van De

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## THE NEW DEVELOPMENTS IN THE NATIONAL LIBERATION MOVEMENT IN RECENT YEARS

Hanoi TAP CHI CONG SAN in Vietnamese No 8, Aug 86 pp 93-98

[Article by Vu Quang]

[Text] Of the more than 170 countries in the world, the majority of the countries outside of the socialist countries and the roughly 20 developed capitalist countries are former colonial or dependent countries, now called "the developing countries," the "Third World" or "the newly independent countries." Examined from the standpoint of the role of these nations in the process of the struggle between the revolution and counter-revolution throughout the world, they comprise one of the great revolutionary forces of our times: the current of national liberation.

Encompassing more than 100 countries and a total population of more than 2 billion, this movement consists of countries of many different types. Some chose the path of socialist development after winning independence. Some have leaned toward capitalism and are, in actuality, falling into the trap of neo-colonialism. "In form, these countries have political independence but, in practice, they have fallen into the net of financial and diplomatic dependence."<sup>(1)</sup> However, there is one feature that characterizes the entire movement, the aspiration of peoples and nations to be the masters of their own destiny, to be the masters of their natural resources and internal affairs. This legitimate aspiration stands directly in the way of the dream of imperialism to rule the world. It has reduced the scope of activity and threatens sources of raw materials that are vital to the economy of imperialism, sources which it once had the exclusive right to develop and exploit. These developing countries, which extend across the continents of Asia, Africa and Latin America, account for a very high percentage of the important raw material reserves of the entire world, such as petroleum, copper, nickel, wolfram, uranium and so forth and such products as rubber, coffee, cocoa, tea... The developing countries occupy a strategic position in the scheme of imperialism to surround and attack the Soviet Union and other socialist countries. As a result, it can be said that the struggle being waged by the national liberation movement against imperialism has been and is threatening the very existence of capitalism. In recent years, history has witnessed attacks by the national liberation movement as part of the overall attack by the three currents of revolution, attacks directly on the strongholds of imperialism. Following the victory of Vietnam, a host of



Asian, African and Latin American countries have arisen in struggle and won victory, thereby forcing the imperialists themselves to call this the "post-Vietnam era" in order to give a name to the shrinking of their influence and the weakening of their strategic position on a global scale. With the comparison of forces in the world having changed to the advantage of socialism and the national liberation movement and the disadvantage of imperialism, collusion and cooperation among the oil producing countries in the Middle East are enough to destabilize and create difficulties for the entire capitalist world for a period of time. It is here--in the region of national liberation--that a bitter struggle is taking place between the forces of revolution and counter-revolution and antagonisms continue to exist between imperialism--headed by the United States--and the international and reactionary forces, on one side, and the nations struggling for political and economic independence, for national sovereignty, for the right to be the masters of their natural resources, on the other side. This struggle has the support and assistance of the socialist countries and all progressive forces in the world.

Faced with the danger of the scope of its activity being reduced and being cut off from sources of raw materials, imperialism--headed by the United States--in coordination with Chinese expansionism and hegemonism and other reactionary powers, has mounted an intense counter-attack against the national liberation movement. Their efforts have been directed mainly against the countries that are following the path to socialism. Their goal being to "win back ground that has been lost," they have been waging a combined political, economic, military, cultural and ideological counter-attack against revolutionary forces, emphasizing one factor or another depending upon the place, the time and the target.

In the case of countries that are on the path to socialism, their tactics have been to encircle these countries, to set up embargoes against them, to use regional reactionaries to harass them and exert military pressure against them while looking for every way to topple their administrations, including plots to assassinate and eliminate the leaders of these countries. When conditions have permitted, they have not hesitated to use military forces in direct aggression, as they did when they started the bloody wars of aggression in South Korea, Vietnam and Grenada.

In the case of countries following the capitalist path of development, their tactics are to employ neo-colonialism and infiltrate and control these countries through multi-national corporations. When social antagonisms in these countries become acute as a result of the working people being severely exploited and the struggle by the various strata of the people spreads and develops, they try to "defuse" the situation by removing corrupt lackeys from office, "changing horses in mid-stream" and carrying out "democratization" in a vain attempt to cause the struggle being waged by the people to lose its sense of direction and maintain their big country interests.

However, there is no selectivity in the use of measures against the national liberation movement. In practice, they have made combined and coordinated use of all these measures. This is why there have been times when the Reagan administration has taken a "hard line" but also times when it has given the

appearance of "being concerned with democracy, with human rights," even though its nature and goals have not changed. Reagan's bellicose and aggressive nature was revealed at the time he was preparing to enter the White House in his line based on the report of the Sante Fe Commission(2) written in 1980. At the very outset, this commission confirmed for Reagan that "the United States is being attacked by the Soviet Union through the hands of Cuba; therefore, the United States must remedy the situation." The United States must use "direct sanctions" and, if these fail to meet the objective, must "launch a war of liberation against Fidel Castro." This commission also reported to Reagan that national liberation movements have arisen in various regions as a result of "external causes," of "instigation by the Soviet Union and communist countries," not as a result of social injustice, that is, internal causes. Throughout the 6 years of his presidency, Reagan has spoken and acted precisely along these lines. He has even gone much farther than the proposals made by this consultative commission. However, in actuality, the intense struggle being waged by the people of different countries against pro-U.S. dictatorial regimes has proven that there never has been any "external instigation." Numerous pro-U.S. militaristic, bourgeois regimes have collapsed or are in danger of collapsing. Even the people of the United States are not in favor of the U.S. administration's continuing support for hopelessly corrupt lackeys in various regions of the world. This fact has forced U.S. ruling circles to reconsider. Through debates within these circles, they have reached the conclusion that they must give attention to "internal causes" as well as "external causes" and deal with this revolutionary movement from behind the mask of "democratization," deal with it by means of increased economic "aid" and, lastly, by means of military measures. While the Reagan administration has raised a ruckus over "democracy" and "human rights," it has, in actuality, been forced to remove lackeys who have become evil to excess in order to disorient the struggle being waged by the people of various countries. This is what happened in the cases of the dictator Duvalier in Haiti and Marcos in the Philippines. Both were flown from their countries aboard U.S. military aircraft at the final moment, just as the intensifying struggle being waged by the people was about to explode. The U.S. administration is also preparing public opinion for the application of this policy to a number of other lackeys, such as Pinochet in Chile, Chun Doo Hwan in South Korea and Zia-ul-Haq in Pakistan, through Reagan's recent display of "anger" in his denunciation of "human rights violations" in Chile, South Korea and Pakistan.

The military exercises "Big Pine" in Latin America, "Golden Cobra" in Southeast Asia, "Team Spirit" in Northeast Asia...were a "show of force" designed to threaten and exert pressure on Nicaragua and the revolutionary movements in Latin America, on Afghanistan, India and the countries of Indochina. "Regional gendarmes," such as Israel and South Africa, as well as groups of bandits and counter-revolutionaries, such as the Contras in Latin America, UNITA in Africa, the "Khmer Rouge" in Cambodia and the bandits along the Afghanistan border, are all receiving "aid" and encouragement from the United States in order to harass the countries that man the frontline of the national liberation movement.

Clearly, the policy of tension, confrontation and counter-attacks against the national liberation movement that the U.S. imperialists have been pursuing

since the first days of the Reagan administration has never changed, except to become more brazen, more brutal. The recent use of "human rights" as a pretext for replacing a number of lackeys, much like one "sacrifices a pawn," only proves how defensive and confused the state in which they are actually is.

Intertwined and coordinated with military actions, the U.S. imperialists have also made intense use of economic and financial measures, most notable the main instrument of neo-colonialism, the multi-national corporations. Indirectly controlling the economies of the newly independent countries by monopolizing the centers of trade and product marketing, through unfair trade, through so called "aid" with onerous terms...is how the U.S. imperialists impose the capitalist international division of labor upon independent countries that are leaning toward capitalism. In reality, the multi-national corporations are "states within a state" wherever they set up business. They exploit the resources and labor of host countries and intervene in their internal affairs. At present, there are more than 50,000 corporations of the multi-national corporations in the developing countries. They are some 50,000 tentacles of octopi, are the causes of the "coffee wars," "sugar wars," "oil price wars"...that have caused the countries of Asia, Africa and Latin America to lose billions of dollars. In recent years, they have used debts to destabilize the newly liberated countries, to pressure these countries into changing their policies and to cripple their economies, which are already experiencing many difficulties. The total debts of the Third World countries now stand at approximately 1 trillion dollars, of which the countries of Latin American owe nearly 400 billion dollars, the countries of Africa owe 200 billion dollars and the Arab countries owe more than 100 billion dollars. The Latin American countries must spend 53 percent of their income from exports just to pay the yearly interest on these debts and the "interest generates more interest," as a result of which the indebtedness of these countries has risen very rapidly.

In coordinating the measures taken against the national liberation movement, imperialism has not neglected to make use of theory and ideology or culture and information. They have adopted theories such as "mutual dependency" to conceal exploitation by neo-colonialism and the "rich countries, poor countries" theory to erase the differences between imperialism and the oppressed nations. In the face of the trend of our times, the trend of increasing cooperation between the socialist community and the countries of the liberation and national independence movements, the imperialists have advanced the theory of "standing between the two social systems" in a futile attempt to make the Soviet Union, which tirelessly struggles for peace, look like the United States, which is bellicose by nature, and vice versa and sever this natural relationship. They have also not neglected to use reactionary religious and church forces to prevent the newly independent nations from awakening and being enlightened.

In the Asia-Pacific region, the United States has also intensified the deployment of a vast counter-revolutionary plan. This is an important region of strategic significance, one which the U.S. imperialists are plotting ways to control so that they can encircle and attack the Soviet Union, the alliance of the three countries of Indochina and the community of socialist countries



in two prongs from the east and the south. This is also a region rich in natural resources, a dynamic economic region that has a high rate of development, which the U.S. imperialists are seeking to control so that they can monopolize the exploitation and plundering of the region. Consequently, they have been making every effort to strengthen their military power and assemble forces, such as promoting the U.S.-Japan-South Korea alliance; making arrangements to strengthen ANZUS (the United States, Australia and New Zealand); tolerating and encouraging the acts of harassment of the reactionaries in South Korea, Thailand and Pakistan; and promoting the implementation of the Asia-Pacific strategy and the establishment of the "Pacific community," the nucleus of which are the United States and Japan. In its counter-revolutionary strategy in this region, the United States enjoys the effective collaboration of China. During his visit to the United States in January 1984, China's premier Zhao Ziyang, clearly stated: "China and the United States have common interests in many of the most important issues in international life." If we strip away the flowery language and its fake "revolutionary" label, we see that China's policy toward the national liberation movement is essentially aimed at achieving two primary objectives. They are: achieving hegemony and becoming the leader of the movement and separating the movement from its natural relationship with the world socialist community. China has adopted very many slogans that pledge its support of the national liberation movement. But the entire world knows about the close relations between Beijing and the Pinochet clique in Chile and Zia ul-Haq in Pakistan, its secret military relations with the Israeli zionists, with leading reactionaries in Africa, such as Nimeiri in Sudan some years ago, with leaders of Somalia and Zaire. They officially hailed the Camp David Accords but are constantly voicing their "resolute support for the struggle of the Palestinians"! They have pledged to "take the side of the Arab people." Recently, however, Egypt reluctantly returned to Beijing tanks supplied to it by China because it was discovered that the guns on the tanks were manufactured by Israel!

During the past several years, despite the insane sabotage carried out by imperialism and the various types of international reactionaries, the liberation and national independence movements have continued to take strong strides down the path of development and have been playing an increasingly large role in the common struggle of all mankind for peace, national independence, democracy and socialism. Indicative of this is the fact that more and more nations have chosen the path of socialism or are leaning toward socialism. The peoples of these countries recognize that only by following the path of socialism can they maintain their national independence. With each day that passes, life is proving that although political independence has been won, the cause of national liberation has not ended. Political independence must be strengthened by economic independence. The cause of national liberation can only be viewed as complete and thorough when the exploiting classes have been abolished. These nations can choose only one of two paths, either to "continue to be the rear area of imperialism" or to "develop along the path of progress and socialism." There is no third path.

Reality has proven that the national factor is never negated when development takes the path of socialism. To the contrary, this is the best way to protect the basic interests as well as the particular interests of every nation.



Combining national independence and socialism in a way that is well balanced is a solid guarantee of development, as has been verified in many countries, including Vietnam. It cannot be denied that countries developing toward socialism often encounter very many difficulties and obstacles along their way as a result of the serious consequences of centuries of oppression and exploitation, economic poverty and backwardness, a lack of experience in managing and building the new society and bitter opposition by imperialist and reactionary powers. However, with the wholehearted assistance of the socialist countries, these countries have proven that only by following the path of progress and socialism can they maintain and strengthen their countries' political independence.

Even the powerful development of the Soviet Union and the other socialist countries itself is a form of tremendous support and assistance to the national liberation and national independence movements, because it is an exceedingly important factor in the collapse of neo-colonialism and in stimulating the progressive development of newly independent countries. Their own experience teaches these countries that the socialist community is their natural ally. According to incomplete data, the member countries of CEMA have helped the countries developing toward socialism and a number of other countries to build more than 3,500 industrial projects, 1,500 agricultural projects, power plants with a total capacity of more than 23 million kw and enterprises with a total output of 30 million tons of steel and 50 million tons of crude oil per year. Also as a result of this assistance, the newly independent countries have trained nearly 2 million specialists, skilled workers, engineers, doctors and so forth. Besides kinds of support that can be expressed in the form of statistics, there have also been priceless political, military and diplomatic support and assistance, even support and assistance in the form of flesh and blood: the volunteer forces of the Soviet Union who have sacrificed their lives for the cause of the Afghanistan people, the Cuban soldiers who have laid down their lives for the revolutions of Angola, Mozambique and Ethiopia and the Vietnamese volunteer forces in Laos and Cambodia. In addition, countless specialists of other socialist countries are wholeheartedly assisting newly independent countries. These are specific examples of pure socialist internationalism and have made important contributions to the growth of young nations determined to move in the direction of socialism.

In recent years, as one of the currents of revolution of our times, the national liberation movement has made tremendous contributions to the common struggle of mankind. Although there are still many difficulties, even temporary setbacks at certain places and times, the strong forward trend of the movement is clear and cannot be impeded. Together with the socialist countries, with the struggle of the working people in the capitalist countries and the struggle against the arms race and for world peace, the national liberation and national independence movements will surely win increasingly large victories.

#### FOOTNOTES

1. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1980, Volume 27, p 485.

2. This commission was a consultative organization that consisted of leading financiers and specialists and had the task of formulating policy for presidential candidate Reagan. It took its name from the place where its founding conference was held, the city of Santa Fe in the state of New Mexico, United States of America.

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## THE TRENDS IN THE REVAMPING OF THE ECONOMIC MECHANISM IN THE SOCIALIST COUNTRIES

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[Article by Vo Dai]

[Text] Revamping the economic mechanism is a universal trend in the fraternal socialist countries. In the Political Report at the 27th Congress of the CPSU, M.S. Gorbachev, general secretary of the Party Central Committee, stated: "We are facing the most serious reform of the socialist economic mechanism ever." At the recent congresses of the communist parties of a number of other socialist countries, this issue was also stressed. Actually, it was in the late 1960's that economic reform began to be carried out in one socialist country after another to varying degrees, in varying scales and by different methods. However, regardless of what their differences might have been, all these reforms shared common foundations: they were under the leadership of a Marxist-Leninist party; shared the common goal of building communism; were based on a system of socialist ownership of the means of production; were based on consciously applying objective laws and complying with socialist economic management principles, etc. It is upon these common foundations that trends of a common nature in revamping the economic mechanism have emerged and steadily grown. This article will present these common trends.

The question that arises is: what have been the bases underlying the process of revamping the economic mechanism in the socialist countries?

Most importantly, consideration must be given to the development of economic theory, which is seen as a process of revising economic thinking now underway in the socialist countries. It must be acknowledged that important changes have occurred in the field of economic thinking in recent years. We have gone from asserting that the Soviet Union had finished building developed socialism and was making the transition to communism to acknowledging that the Soviet Union is in the initial stage of developed socialism; from placing sole emphasis upon the role of the state-operated economy and the collective economy to acknowledging and encouraging the development of small-scale, private production and the household economy to some extent to augment the state-operated economy and the collective economy; from placing sole emphasis upon central planning and orders to acknowledging and broadening the

independence of enterprise; from rejecting commodity-money relations in the production of the means of production to acknowledging them; from rejecting the role and impact of the law of supply and demand in economic life to acknowledging them, etc. The above changes have truly provided important theoretical bases for economic reform in the socialist countries.

On the other hand, the actual economic conditions of the socialist countries also underwent important changes in the mid-1960's. For example, the factors of development in breadth became exhausted at a time when the factors of development in depth were not exerting an impact, consequently, production costs rose across the board, thereby causing low returns from production and a reduced rate of growth. The economies of the socialist countries had reached a scale of development many times larger than ever before and reached a very high level of technological development. Overseas economic relations had undergone extraordinary development, etc. These changes, from the standpoint of both theory and practice, rendered the economic mechanism now in place within the socialist countries unsuitable. "The current forms of production relations and business management policies came into being, for the most part, under the conditions of economic development in breadth. They have gradually become outmoded and begun to lose their role as incentives to, and in some respects, impede, further development."(1)

Thus, what kind of new economic mechanism is compatible with the changes that have occurred in theory as well as practice? From the proceedings of the recent congresses of the fraternal parties, we can see that the new economic mechanism in the fraternal socialist countries exhibits the following primary features:

It maintains the planning of the national economy while making vigorous use of the relationships between goods and money and the market. It increases the effectiveness and efficiency of central leadership while increasing the independence and business autonomy of the basic units. It insures unity among the interests of the individual, the collective and all the people. It brings about a strong change in the use of economic measures while still giving attention to the correct use of administrative measures. It intensifies centralization, specialization and federation in the process of reorganizing the production apparatus. In view of these special features, the new economic mechanism is mainly designed to increase the efficiency and quality of production and promote the following basic trends:

#### **I. Shifting from a Mechanism Based Primarily on the Use of Administrative Measures and Orders to a Mechanism That Makes Increasing Use of Economic Measures**

During and prior to the 1960's, orders of many different forms were handed down from the upper level to basic production units. Hundreds of legally binding norms, thousands of plan quotas and all prices were determined by the central level and very many directives and resolutions were issued to basic production units by the upper levels. Virtually the only right that basic business units had was to implement these directives and orders. And, if they wanted to change something unsuitable, they would have to request a directive from the upper level and wait for a long time for a new order.



It must be acknowledged that, in more than a few cases, administrative measures and orders are totally unnecessary in the leadership of the economy. However, once these orders became the basic mode of the economic mechanism, major limitations emerged.

The first limitation was that the promulgation of so many orders to determine the operations of all basic production units exceeded the capabilities of the agencies issuing orders, even though the number of cadres at these agencies increased. The difficulty encountered here was that there were, within a single country, very many basic production units. Their operating conditions were very diverse and very different and their business situations changed daily. As a result, leadership agencies on the upper levels found it difficult to control everything. Shortly after they were issued, orders and directives were no longer suited to conditions because conditions had changed. Therefore, the legally binding norms assigned by the upper levels were usually inaccurate and had to be constantly adjusted. Directives and orders intervened deeply in the business operations of basic units and became an obstacle to the operations of basic units when they were not consistent with practice.

Secondly, while basic business units knew their conditions and potentials better than anyone else and bore the greatest material and spiritual responsibility for the operations of their units, they did not have the authority to make any decisions. As a result, this mechanism impeded the ability of basic units to display initiative and creativity, to exercise independence and autonomy in their business and to effectively and flexibly respond to the situation.

Thirdly, this mechanism did not closely tie authority to material responsibility. The agencies and persons authorized to issue orders bore absolutely no material responsibility whatsoever for the consequences of these orders. These consequences were directly borne by the basic units and the state. For example, when the legal norms assigned by the upper level were incorrect, they harmed the interests of the enterprise and the state but the agencies that formulated these norms bore no material responsibility at all. Or, if a pricing agency, which required everyone in the country to comply with price discipline as law, set a price incorrectly, the interests of producers and consumers were affected first but the interests of the pricing agency were not affected at all. This explains the bureaucracy and irresponsibility that occurred in the process of issuing orders and directives.

Since the 1970's, as a result of the above mentioned limitations, the socialist countries have, generally speaking, gradually moved in the direction of reducing the use of administrative measures and orders and gradually increasing the use of economic measures within the economic mechanism.

Legally binding norms assigned by the upper level have been reduced in number or eliminated. The universal situation found in the socialist countries today is that the number of legally binding norms assigned by the upper level to basic units has been reduced (to roughly 10 norms). The Platform of the 13th Congress of the Bulgarian Communist Party (1986) states: "A gradual shift must be made from planning by means of regulations through norms to planning

by means of quotas." In Hungary, legally binding norms assigned by the upper level have, generally speaking, been eliminated. State agencies continue to provide unified leadership of the national economy as they did before, but they do so by means of economic measures, not primarily by means of orders and directives as they formerly did. The number of legally binding norms that remains is not large and these norms are selected on the basis of shifting the focus of norms from volume and output to quality and efficiency.

Central agencies have increasingly shifted away from issuing administrative orders and directives and have focused their efforts on formulating development strategy and economic policies and inspecting and supervising their implementation. This shift in direction is of major importance. Whereas, in past years, the full efforts of central agencies were absorbed in the issuing of orders and directives and very many other daily administrative chores and they seem to have very little time to give their attention to formulating strategy and policies and inspecting their implementation, now, they have been liberated and have time to concentrate on this work. The 27th Congress of the CPSU asserted that it is first of all necessary to reorganize the State Planning Commission as a true economic science staff of the country. Since the 1970's the formulation of development strategy has been increasingly promoted in the socialist countries. Programs for the development of the production of food products, raw materials, fuels, consumer goods and so forth have been prepared and implemented in many socialist countries. Inspections and supervision are being emphasized and central agencies have truly turned their hands to this work, as a result increasingly clear standards have been established for evaluating the business operations of enterprises. Whereas, in past years, the operations of enterprises were evaluated primarily on the basis of the volume of products delivered to the state, now, increasing attention is being given to the standard of efficiency. In Bulgaria and Hungary, these standards are profits; in Czechoslovakia, it is net product computed as  $(c1+v+m)(2)$ ; in the GDR, they are profits and net product.

The change of direction in the operations of the central agencies commands that basic business units also change the direction of their operations accordingly.

The authority of basic units has been steadily broadened and their business independence and autonomy have also been steadily increased. Whereas, in past years, basic business units only had the authority to implement orders handed down from above, in recent years, they have acquired authority in many other areas: the authority to formulate the business plan of the enterprise and the authority to decide this plan; the authority to set up enterprise funds; the authority to expand production; the authority to set a number of product prices on the basis of state price policy; and the authority to increase or decrease its work force. In some countries, they also have the authority to directly participate in foreign trade activities. In Bulgaria and Hungary, they even have the authority to elect the enterprise leadership board and director. The Soviet Union is also addressing the matter of electing enterprise directors.

the majority of the socialist countries today, on the basis of the legally binding norms assigned by the upper level (which have been reduced in number),

basic business units formulate and decide their own plans. Here, although few in number, legally binding norms continue to play the role of setting the business guidelines of basic units. The business autonomy of basic units, although broadened, still lies within the scope of the business guidelines decided by the upper level. For example, in Hungary, the state only sets the guidelines for the strategic development of the national economy and establishes leverage policies. The business development plans of basic units are decided entirely by the collectives of enterprises. In this case, the business independence of basic units is greater. Unlike previously, basic units no longer need to conduct their business in accordance with orders from the upper level. They have the full authority to select and decide their business plan and operate in accordance with the general strategic guidelines for the economy set by the central level. The reduction of the number of tasks assigned by the upper level to a minimum has opened large capabilities for tapping the initiative and creativity of the worker at the basic unit and expanding the autonomy of the enterprise.

Reflecting this spirit, the 27th Congress of the CPSU set the basic guidelines for reorganizing the economic mechanism as: "It is necessary to increase the effectiveness of central management and increase the role of central agencies in implementing the main targets of the party's economic strategy, in setting a rational rate and rational ratios of development for the national economy and in establishing its balance. At the same time, it is necessary to stop the intervention by central agencies in the daily business operations of basic units... Determined steps must be taken to broaden the autonomy of federations and enterprises... A shift must be made to leadership by means of economic measures on all levels of the national economy..."(3) "...Directives, not even the most correct directives, can be used in place of the creativity of the masses. The reorganization will bring about the strong development of the creativity and autonomy of worker collectives and all cadres. The present situation does not permit us to resolve each and every problem on the central level... Everyone must clearly understand this fact. The worker collectives of enterprises and federated enterprises must assume the major portion of the responsibility for resolving everyday problems."(4)

## II. Shifting from the Mechanism Based on State Subsidies to a Mechanism That Makes Full Use of the Relationships Between Goods and Money

The salient features of the mechanism based on state subsidies are the following:

The central state is responsible for allocating fixed capital and the major portion of liquid capital to basic enterprises; supplying raw materials, fuels, secondary materials, machinery, equipment and spare parts; paying salaries and wages to the cadres, manual workers and civil servants of the enterprise in accordance with their level of training and skill; providing social welfare services to each member of society, such as free education, free medical care, etc.

Enterprises must deliver all products produced to the state, turn over to the state practically all profits earned, depreciation funds, etc.



The prices of means of production, means of consumption and services are directly computed and set by the State Price Commission. These prices remain stable over a period of many years and are usually not tied to value and the relationship between supply and demand.

Enterprises are assigned plan norms by the upper levels and are provided by the upper levels with a full supply of machinery, equipment and technical materials at very low prices... All products produced, regardless of their quality, are accepted by the state. Losses are subsidized by the state. Profits are turned over to the state... This is the business situation that existed during and prior to the 1960's. While its limitations were evident to some extent, they were not, generally speaking, clear or serious because, at that time, many favorable conditions still existed for economic development. Generally speaking, each enterprise operated on the basis of orders from the upper levels, provided that it was fully supplied with materials and equipment and delivered all products to the state.

However, in the 1980's, the situation has changed. As a result of economic difficulties, the state has been increasingly unable to provide a full supply of equipment and technical materials at low prices, particularly in the case of countries that must import technical materials. This has meant that enterprises have not had all the conditions needed to implement the legally binding norms assigned to them. In many cases, they have suffered losses because the prices of imported raw materials and fuels have risen sharply. The mechanism based on subsidization failed to overcome these difficulties and has increasingly shown itself to be incompatible with the new conditions that exist. The major limitation of this mechanism in the face of the new situation is that it imposes restraints upon the impact and development of the relationship between goods and money. These restraints take the following forms:

Prices are directly calculated and set by state agencies and remain fixed over a period of many years, even though the conditions that underlie the formation of prices have changed. Since the 1960's, the expenditure of social labor in the production of goods has increased each year. There has been movement toward balance between supply and demand and supply has even exceeded the demand for traditional products. However, for high quality goods, demand has usually exceeded supply. Changes in currency exchange rates in the world have had an impact upon the value of each country's currency. The use value of goods has been increased, although slowly... Of these conditions, most deserving of attention is the fact that the expenditure of labor in the production of goods has been increasing due to rising raw material and fuel production costs, especially the price of oil, which has soared, and increases in the wages and salaries of workers and civil servants. In more than a few cases, production costs have risen to levels higher than the prices set by the state. The immediate consequence was a need for the state to subsidize losses. However, even more serious is the fact that prices have not correctly reflected value or the conditions that underlie prices and, as a result, ceased to be a form of value. On the other hand, state price agencies cannot directly set accurate prices for tens of thousands of products when the conditions underlying the formation of products are constantly changing. Although these agencies decide prices, they bear no material responsibility



for their decisions. Whether prices are high or low in no way affects their interests, only the interests of the producer and the consumer.

"Supply allotments," "financial allocations" and "product deliveries" are the characteristic mode of the mechanism based on state subsidies. Under this mode, means of production do not move as goods because trade here is not based on price parity, rather, it is usually carried out at prices that lie below value. The various types of capital do not move as values, with loans and the repayment of loans, with principal and interest, but exist in the form of allocations and only the state recovers capital that is advanced, which it does in the forms of depreciation and payments to the budget. Products produced do not move as goods through true trade, but move as products that must be delivered to the state...

As the entities that deliver products, enterprises look for every way to reduce the quantity of products that must be delivered to the state. Because, if an enterprise receives many supplies and large funds but must only deliver a few products, it can retain a portion of the products it produces in order to distribute them internally or sell them at negotiated prices for a profit. This is how primary products become secondary products, rejected products... In the face of pressure from enterprises, agencies and cadres who have the authority to "allocate," "allot" and "take delivery" use their authority to the fullest extent possible and, as a result, bureaucracy and authoritarianism arise.

It is because of the negative consequences described above that the socialist countries have been gradually dismantling the mechanism based on state subsidies and moving in the following major directions:

Price policy has been revamped in the direction of adjusting prices to bring them in line with the conditions underlying their formation. Generally speaking, there are two types of prices in the socialist countries today: prices set by the state and prices set by business enterprises and consumers.

Among the prices set by the state are prices that are set directly by the state and prices that are set indirectly by the state. The number of types of goods for which the state directly sets prices is gradually decreasing and the number of types for which it indirectly sets prices is increasing. There are also types of products for which the state only sets the highest and lowest prices.

The prices set by the producer and the consumer consist of:

Contract prices, which are negotiated prices recorded in a contract signed between the buyer and the seller and which remain in effect for the length of time stipulated in the contract.

Free prices, which are also a type of negotiated prices between the buyer and the seller but are not recorded in contracts and are only temporary.

The two types of prices mentioned above are closely interrelated. The prices set by the state are always the basis, the framework controlling and

determining the movement of flexible prices. At the same time, flexible prices are the most sensitive barometer of pricing conditions and changes in business and production conditions. As a result, the state and enterprises can obtain relatively accurate information with which to evaluate the business and production situation and adjust established prices accordingly. In some socialist countries, such as Hungary, Bulgaria and Poland, there is a move toward reducing the number of prices set directly by the state and increasing the number of flexible prices. In Hungary, in 1980, the state only set 18 percent of the prices in industry. The remaining 82 percent were flexible prices.

One important measure in dismantling the mechanism based on state subsidies is to shift from financial allocations to the use of credit, from supply allotments and product deliveries to the commercialization of these relations.

Whereas practically all of the fixed and liquid capital of enterprises was once allocated by the state, today, enterprises must borrow the majority of this capital from the bank at interest rates that encourage them to use it in an efficient manner, to turn their capital over quickly and not allow it to become tied up. Whereas materials were once supplied by the state at low prices, today, enterprises have the authority, in many cases, to directly sign contracts for the procurement and sale of materials and equipment at negotiated prices. Whereas the products produced by enterprises once had to be directly delivered to the Ministry of Supply or the Ministry of Commerce, today, enterprises have the authority to directly sell products to other enterprises at contract prices. The important change here is that commodity trade based on true price parity allows the producer and the consumer to participate in the process of circulation with the full status of buyer and seller. The movement of the value of goods together with circulation and storage costs are reduced.

### III. Revamping the Apparatus of Management Organizations Along Lines That Reduce the Number of Intermediary Echelons and Leadership Levels and Reorganizing Basic Units on the Basis of Centralization, Specialization, Cooperation and Federation

The shift from the economic mechanism based on administrative management, orders and state subsidies to a new mechanism demands that the apparatus of management organizations be reorganized accordingly.

Most importantly, the number of intermediary echelons and leadership levels has been reduced and the functions of leadership agencies have been changed.

The economic leadership system previously consisted of three to four levels (the ministries, general departments and enterprises), not including the various levels of local administrations. As a result of this multi-level system, information received from the lower levels was inaccurate and the orders handed down by the upper levels were ineffective. Consequently, the common trend in the socialist countries has been to reduce the number of intermediary levels. At the same time, the ministries have steadily cut back on the issuing of orders and intensified their activities in the areas of shaping the strategy for the development of their sector and inspecting and

supervising the implementation of economic policies. With this shift in the focus of activities, many ministries began to duplicate one another's work. As a result, mergers have occurred among ministries. In the Soviet Union, six ministries related to agricultural production were merged to establish the Agro-Industrial Commission. In Hungary, six industrial ministries have been merged into one Ministry of Industry. In a number of other countries, the Ministries of Agriculture, Water Conservancy and the Food Products Industry have been merged to form the Ministry of Food... The local administrations, which previously undertook the work of providing administrative management and economic management, now, generally speaking, only provide administrative management and manage the service sectors that support the needs of the locality. The production sectors, generally speaking, are managed entirely by the specialized ministries.

Secondly, basic units have been reorganized on the basis of specialization, cooperation, centralization and federation, specifically:

Vertical production federations have been established, that is, related enterprises within the same sector have been merged. For example, a federation of textile enterprises consists of spinning, dyeing, weaving and other enterprises. This form of organization is currently widespread in the socialist countries.

Horizontal federations have also been organized, that is, enterprises belonging to different sectors have been merged within one federation consisting of scientific research and developmental research agencies and facilities, design and test manufacture organizations, construction and assembly units, production units, efficiency units, supply enterprises, enterprises manufacturing finished products, agencies marketing goods on domestic and world markets... This form of federation is presently widespread in the GDR.

In many cases, the trend toward expanding the scale of basic units has led to one basic unit encompassing the entire sector and one federation monopolizing the business in a certain type of product.

The large scale of federations has produced a number of advantages. It has created large potentials in terms of capital, materials, technology, management cadres and so forth which make it possible to improve the business operations of enterprises and increase their production efficiency. However, the monopoly exercised by many federations in both procurements and sales led to more than a few negative phenomena: price gouging, pressure to accept lower procurement prices, the failure to give attention to technological improvements, to improving product quality and so forth. For this reason, in recent years, a new trend has emerged in Hungary and Bulgaria, namely, disbanding large trusts and dividing them into medium and small-scale enterprises that do business within the same sector in order to break the monopoly of a product by a federation and create a wholesome atmosphere of competition among enterprises.

In addition to the major trends in the revamping of the economic mechanism presented above, other important changes are occurring, such as providing

incentive for the development of the household economy and small-scale, private production and improving the education, legal and other systems to support the revamping of the economic mechanism. However, there is one exceedingly important issue to which the socialist countries have given very much attention and which they consider to be the premise for the entire process of revamping the economy, namely, the issue of training, selecting and recruiting a corps of cadres, from research cadres, policy makers and coordinators to enterprise directors. The new economic mechanism demands a corps of cadres who are well suited to it.

#### FOOTNOTES

1. M.S. Gorbachev: "Political Report at the 27th Congress of the CPSU."
2. c1 is the depreciation of fixed assets.
3. IZVESTIA Newspaper (Soviet Union), 26 February 1986.
4. M.S. Gorbachev: "Speech at the 16 June 1986 plenum of the Central Committee of the CPSU," NHAN DAN Newspaper, 22 June 1986.

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