

JPRS-ATC-88-007  
29 SEPTEMBER 1988



**FOREIGN  
BROADCAST  
INFORMATION  
SERVICE**

---

# ***JPRS Report***

## **East Asia**

---

***Vietnam: TAP CHI CONG SAN***

No 3, March 1988

# East Asia

## Vietnam: TAP CHI CONG SAN

### No 3, March 1988

JPRS-ATC-88-007

## CONTENTS

29 SEPTEMBER 1988

[The following is a translation of the monthly theoretical and political journal of the Vietnam Communist Party published in Hanoi. Refer to the Table of Contents for a listing of any articles not translated.]

Special Communique on the Death of Council Ministers' Chairman Pham Hung	
<i>[Article not translated]</i>	1
Eulogy for Pham Hung <i>[Article not translated]</i>	1
Culture in the Life of Our Society Today <i>[Article not translated]</i>	1
Some Thoughts on Adopting New Theoretical Thinking <i>[Thai Ninh]</i>	1
The Cropland Law—a New Sign in the Management of Our State <i>[Ton Gia Huyen]</i>	4
Building the Structure of Commodity Agricultural Production <i>[Nguyen Dinh Nam]</i>	7
Understanding the Application of Lenin's Cooperativization Plan in Vietnam <i>[Tran Duc]</i>	10
The System of Social Ownership in the Period of Transition to Socialism <i>[Tran Kinh Nghiem]</i>	14
Putting Social Fairness Into Practice <i>[Dong Thao]</i>	17

### Book Review

Some Socio-Economic Issues in the Initial Stage <i>[Pham Van Duc]</i>	21
---	----

### Research-Exchange of Opinions on Inflation

The Actual State of Inflation in Our Country* <i>[Nguyen Van Truong]</i>	24
The Inflation Situation in Our Country and Reducing the Rate of Inflation <i>[Le Thanh Long]</i>	27

### Editorial Board Interview

On the Occasion of the Campaign To Purify and Increase the Fighting Strength of the Party Organizations	30
---	----

### Round Table Conference

The Renewal of Our Literature and the Arts Within the Party's Cause of Renovation <i>[P.V.]</i>	36
---	----

### Ideological Life

'A Prison Sentence...and a Swollen Cheek' <i>[Nhi Le]</i>	38
---	----

### The World, Issues and Events

Understanding the Significance and Basis of Creativity-Dynamism in the Peaceful Foreign Policy of the Soviet Union <i>[Article not translated]</i>	40
--	----

### From the Books and Newspapers of the Fraternal Countries

Cultural Leadership Within the Context of Restructuring <i>[Article not translated]</i>	40
Restructuring and the Responsibility of Writers <i>[Article not translated]</i>	40

**TAP CHI CONG SAN**

**No 3, March 1988**

**Special Communique on the Death of Council Ministers' Chairman Pham Hung**

42100008A Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 1-2

[Article not translated]

**Eulogy for Pham Hung**

42100008A Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 3-5

[Article not translated]

**Culture in the Life of Our Society Today**

42100008A Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 6-12, 69

[Article not translated]

**Some Thoughts on Adopting New Theoretical Thinking**

42100008A Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 13-17, 73

[Article by Thai Ninh, director of the Marx-Lenin Textbook Publishing House]

[Text] Recently, particularly since the Sixth Party Congress, there have been articles and speeches in our country on the adoption of new thinking. Many sectors have held symposiums on this matter.

One author<sup>1</sup> considers the concepts "thinking" and "perception" to be synonymous. Although thinking is not separate and distinct from perception and although all perception is accomplished through and by means of thinking, thinking and perception are not one. The same author also considers thinking and consciousness to be synonymous, considers thinking to be "the subjective image of the objective world," that is, considers thinking to be reflection. According to this author, thinking can be understood as synonymous with "consciousness." This understanding is incorrect. Thinking is not consciousness, but the highest form of active reflection of objective reality (see "Encyclopedia of Philosophy," 1983, in Russian). This is reflection in the highest stage of perception.

Another author<sup>2</sup> considers economic thinking to be the reflection of the laws of social production in the form of concepts, "in the form of an established system of logical relationships among economic concepts." Here, the author defines economic thinking no differently than political economics and considers economic thinking to be an economic science. By this definition, economic thinking is nothing more than researching the laws of social production!

Clearly, there is no uniform understanding of the concept "thinking." Consequently, adopting new thinking is also a concept that is understood differently. The theory of perception of Marxist-Leninist philosophy points out that thinking is not all perception, but only a high stage, a high level of perception. Thinking is reflection, the highest activity of which is reflection in the form of reason and theory. The reflection of objective reality in the stage of abstract thinking is manifested in the forms of concepts, judgments, deductions... The results of this reflection are manifested in different levels of consciousness: ordinary consciousness and theoretical consciousness. Through the reflection of thinking, man can perceive objective reality and perceive thinking itself. This is indirect, general reflection, is abstract reflection through the logic, forms, methods and laws of thinking.

The characteristics cited above give theoretical thinking unparalleled power. Its ability to grasp a perceived objective is inexhaustible. The strength of thinking is seen in its high degree of abstraction and generalization, in its ability to encompass the object of study. This strength helps man's thinking to discover the micro and macro systems-structures of objective reality and create systems of reason or systems of scientific theory.

The strength of theoretical thinking also lies in its ability to predict and forecast. It is not only capable of accurately describing the ancient history of mankind, but also capable of correctly predicting the future through the centuries. We cannot describe history solely on the basis of empirical data nor can we predict the future through prophecy, rather, both must be based on theoretical thinking, on scientific thinking. Theoretical thinking plays the decisive role in scientific forecasts. Lenin pointed out: "All divine prophecy is myth. But scientific prophecy is fact."<sup>3</sup> Through this strength, thinking is capable of grasping the essence of things and proceeds from level 1 of this essence to level 2...ad infinitum. It is capable of discovering more and more truths. To acquire this strength of thinking, man must employ all the factors that create the ability to engage in scientific thinking, in theoretical thinking. The adoption of new thinking, particularly theoretical thinking, demands that certain conditions exist, most importantly that we possess the strength mentioned above. That is, the thinking subject must understand the scientific and theoretical basis of thinking in all its aspects. In other words, he must grasp the laws of the dialectic and know how to properly apply the material dialectic as well as the theory of scientific knowledge. "Contempt for the dialectic is not without punishment."<sup>4</sup> Theoretical thinking plays an extremely important role in the development of mankind. It guides and corrects man's practical activities. Lenin asserted: "Without revolutionary theory, there can be no revolutionary movement"<sup>5</sup> and "only a party which is guided by a vanguard theory can fulfill the role of a vanguard militant."<sup>6</sup> President Ho Chi Minh considered theory to be the torch lighting our way. He stressed: "Practice not guided by theory becomes blind practice."<sup>7</sup> Clearly recognizing the very large impact of

theory, Engels stressed: "A nation that wishes to stand solidly at the pinnacle of science cannot lack theoretical thinking."<sup>8</sup> Conversely, if theoretical thinking is inferior; or, in the words of Marx, if it is ignorant, many tragedies result.<sup>9</sup> Therefore, adopting new theoretical thinking is the path to the pinnacle of science, of civilization, to the victory of socialism.

Adopting new theoretical thinking, creative thinking, is not something that everyone can do. Not everyone is able to develop theory or make a scientific discovery. Adopting new thinking on the theoretical level demands that the thinking subject possess knowledge of theory. In other words, adopting new theoretical thinking, perfecting and supplementing theory and developing theories are mainly the tasks of theoreticians. Here, the term "theoretician" is to be understood in its broad sense to include theoreticians and practitioners who are skilled in the field of theory. These are persons who are capable of being the masters in their field of science.

Adopting new theoretical thinking in our country in the cause of socialist construction is an urgent requirement. The mistakes and shortcomings that have caused harm in many areas over the past 10 years and more have many causes, one of which has been the backwardness of our theory. For a rather long time, theoretical work has leaned heavily toward explaining lines and policies, in addition to which it has been under the strong control of dogmatism, of metaphysical and mechanical thinking, of petty bourgeois thinking, sometimes "leftist," sometimes rightist, and of simplistic concepts of socialism and communism. There are very many examples that can be cited to prove this observation. Very gratifying is the fact that we have now come to more clearly see the true identity of the old, clearly see the weaknesses in our old thinking. As a result, the Sixth Party Congress issued very strong demands for the adoption of new theoretical thinking with a view toward correcting the shortcomings and mistakes in theory in each of its aspects, from subjects to objects, from content to form, from method to viewpoint and stand. The results of the adoption of new theoretical thinking must be scientific argumentation that has the effect of directing and guiding the practical work of socialist construction in our country. It must make the thinking, the views and the stand of the new man more correct and more solid. His communist confidence must be further strengthened. To adopt a new approach in the practical work of building socialism, we must begin by adopting new theoretical thinking.

Theoretical thinking is a creative activity based on practice, and practice has its own process of historical development. Every age has its own practice. The practice of each age is characterized by a mode of production that corresponds to a given level of thinking. The theoretical thinking of ancient times was thinking about the general, about the whole. This being the level of thinking, the scientists of that age could only offer naive explanations of the world. Revolutionary turning points in the

development of thinking have usually occurred within societies in which all the necessary prerequisites have emerged for thinking subjects to discover and create. At the end of the middle ages, the development of mankind urgently demanded that the shackles imposed by feudal kings and the spiritual powers associated with feudalism be shattered, that value standards be brought down from heaven to earth, that values, instead of the values of gods and saints, be humanist values. This entailed a very bitter struggle to restore culture. The essence of this struggle was the adoption of new theoretical thinking in the field of human affairs. This adoption of new thinking, this renaissance gave birth to great persons whose talents span the centuries. As a result of this adoption of new thinking, the bourgeoisie abandoned scholastic, mystical thinking. This also served to pave the way, from the standpoint of thinking, for the bourgeois revolution that took place in Western Europe in the 17th and 18th centuries.

It can be said that no new ideology, as well as no new thinking, emerges in a vacuum, in isolation. The adoption of new thinking is always tied to historical circumstances, to social conditions and must satisfy the needs in the development of society. For this reason, Marxism could not emerge within feudal society, but only come into being within a capitalist society in which the necessary socio-economic and scientific premises had emerged. Without clinging to the foundations of society, without the realities of revolutionary struggle as its starting point, the adoption of new theoretical thinking will not take the proper direction. As a result of closely adhering to objective needs in the development of our country's society, our party has oriented our people's process of adopting new thinking toward the economic field.

In many cases, the adoption of new thinking necessarily requires the rejection of old concepts, of theoretical concepts that have become outmoded. But theories are things that are not easily rejected. Some specious theories of philosophy that existed from the time of ancient Greece (Xenophon, Pythagoras...) were recognized by everyone as being illogical and eccentric but it was still not easy to reject them. It was not until the late 19th century and the early 20th century, when the material dialectic came into existence with its scientific explanation of the movement of things, that the specious theory of Xenophon was rejected on a scientific basis (see: "Philosophical Notes of Lenin") The purpose of rejecting the old is to affirm the new. But utmost caution must be exercised when rejecting the old. Because they crudely rejected his theory of relativity, some persons thought Einstein was a mad scientist. For a full 50 years, he was considered to be insane. In the Soviet Union, the rejection of the theories on genetics and cybernetics in a very hasty manner not based in science caused development in these fields of science to lag behind by decades. Therefore, when rejecting something, we must remember Engels teaching that we approach the sciences with a scientific attitude.



At present, adopting new theoretical thinking is an urgent requirement of the socialist revolution in our country. This adoption of new thinking cannot come about by itself, is not spontaneous. Rather, it is a highly conscious process. The thinking subject must possess creative freedom, must enjoy democracy in theoretical activities. The key here is that all leadership levels allow scientific organizations to display initiative and creativity. They must respect and guarantee the right of collective ownership of scientists and theoretical researchers. Democratization in theoretical and scientific activities must be codified, must take the form of a mechanism for managing scientific and theoretical activities. The leadership cadres of all levels and sectors must especially concern themselves with guiding theoretical and scientific activities. They must be persons who create a democratic atmosphere in scientific activities as well as persons who take the lead in the adoption of new theoretical thinking.

To expand democracy in the process of adopting new theoretical thinking, it is necessary, in conjunction with eradicating hostile thinking, to combat "old crony-ism" and the habit of "following the leader" and reaching crude conclusions about the thinking of theoretical and scientific research cadres when their opinions are different or unusual. In theoretical activities, it is not always possible to implement the principle of democratic centralism, nor is it possible to tolerate bureaucratic centralism. Because, the standard of scientific truth or a theoretical principle does not always belong to the majority. The truth is not determined by majority rule or by the principles of the lower level being subordinate to the upper level, the part being subordinate to the whole. Lenin was in the minority within the Second International. But his theory on war was true. Practice is the only standard of truth, not unanimous endorsement by the majority or some upper level.

The adoption of new theoretical thinking also demands equality. In science, there is no science for adults and science for children, no science for veterans and science for novices. History is very fair. Science is objective and just. It opposes everything that reflects subjectivism and arbitrariness. It detests an attitude of opportunism toward theoretical thinking.

Adopting new theoretical thinking demands that theoreticians constantly raise their standard of knowledge in many areas. Simply studying Marxist-Leninist theory does not provide them with all that they need to deal with and resolve the problems that arise in our complex and diverse life. Lenin said that "the greatest and worst mistake a Marxist can make is to think that the millions of masses... can emerge from this dark abyss by the path of a purely Marxist education."<sup>10</sup> Therefore, they must meet certain cultural and scientific standards, must grasp the laws of thinking. Lenin asserted: "An illiterate is someone who stands outside politics."<sup>11</sup> Adopting new theoretical thinking is a process of continuous scientific

research. It is also a very sharp ideological and theoretical struggle. It is a process of working hard, even sacrificing one's life. George Bruno, the astronomer, was burned at the stake by medieval feudalists simply because he rejected the role of God as the creator or, in modern day terms, simply because he adopted new thinking in the field of astronomy. To add but one "grain of truth" to man's body of scientific knowledge, a theorist must sometimes work for an entire lifetime. Marx worked on "Das Kapital" for 25 years and still did not complete it. He drafted the outline of volume 3 of this enormous work but was unable to complete it before he passed away. Therefore, it is easy to say that new theoretical thinking is being adopted but it is not easy to add one more "grain" of correct theory to the theory on socialism. We cannot be impetuous. Rather, we must take our time and immerse ourselves in a process of long and difficult struggle. The economy is a field of diverse and complex activities. Economic relations are very delicate relations and exert an impact upon politics and society in a very rapid, chain reaction fashion. Therefore, the adoption of new economic thinking must proceed in a careful manner. We cannot solve problems merely through revolutionary zeal or ethical qualities, nor can we solve problems by "making breakthroughs" or "charging bravely forward," as Lenin criticized "leftist" communists as doing.

Adopting new theoretical thinking is the process of employing the strength of thinking by means of comprehensive and well coordinated measures. This process must be closely tied to the revolutionary movement of the masses. Lenin demanded that theoretical thinking "skillfully combine total scientific clarity in the analysis of the objective situation and objective evolution with very clear recognition of the impact of the revolutionary energy, the revolutionary creativity and the revolutionary initiative of the masses."<sup>12</sup> Herein lies the source of strength of theoretical thinking. In our country, many matters of high theoretical value that exert a major impact have been drawn from the revolutionary movement of the masses. However, theoretical work will fall behind the times if theorists simply wait to summarize practice.

The reflection of reality in the form of theory is not the passive reflection for which a mirror is used, but active, creative reflection capable of seeing ahead, that is, of predicting the future. However, attention must be given to the fact that practice is higher than theory, is richer than theory. Consequently, theoretical thinking is limited in some respects. Regardless of how brilliant it might be, theoretical thinking cannot reflect or predict each and every detail. Lenin pointed out: "History, in general, and particularly the history of revolutions, are always richer, more varied, more dynamic and more 'talented' than the most outstanding party members, the most conscious vanguard members of the most progressive classes, could imagine."<sup>13</sup>

#### Footnotes

1. See: TAP CHI THANG TIN LY LUAN, Number 4-1987.

2. See: "Economic Thinking and Its Role in the Development of Socialist Production," TAP CHI GIAO DUC LY LUAN, Number 7-1987.

3. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1977, Volume 36, p 537.

4. F. Engels: "The Dialectic of Nature," Su That Publishing House, Hanoi, 1971, p 77.

5. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1975, Volume 6, p 30.

6. Ibid., p 32.

7. Ho Chi Minh: "On Ideological Work," Su That Publishing House, Hanoi, 1985, p 73.

8. F. Engels: "The Dialectic of Nature," Su That Publishing House, Hanoi, 1983, p 72.

9. K. Marx and F. Engels: "Collected Works," Russian version, Volume 1, p 112.

10. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1978, Volume 45, p 31.

11. Ibid., Volume 44, p 218.

12. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1980, Volume 16, p 29.

13. Ibid., Volume 41, p 101.

7809

### **The Cropland Law—a New Sign in the Management of Our State**

42100008b Hanoi TAP CHI CONG SAN in Vietnamese No 3, Mar 88 pp 18-22

[Article by Ton Gia Huyen, director of the Cropland Management General Department]

[Text] Cropland has always been one of man's most valuable assets. Because, with it, man not only creates a diverse and rich material life, but also creates an entire civilization when he properly combines this cropland with his labor. Consequently, the cropland policies and laws of a state not only reflect the will of the ruling class, but also reflect the general level of the state's socio-economic management. Thus, how does our cropland law stand in this regard?

#### **I. The Need To Promulgate Cropland Law**

With more than 33 million hectares of natural land, the amount of cropland our country has is not small (our country ranks 58th in the world in this regard). However,

because the population is large (the 15th largest in the world), the amount of cropland per capita is very low (159th among the 200 countries of the world).

Of our total land resources, land used in agricultural production accounts for only about 21 percent. Were we to develop the full potential of the land of this type, this percentage could be raised to 28-30 percent. We also have about 2.5-3.5 million hectares of agricultural land that are not being developed or used. Land in forests can be expanded to 16-17 million hectares (about 50 percent of our natural land). At present, however, only 24 percent of our territory is covered by forests. That is, there are still about 12 million hectares of barren land and mountains that need to be protected and covered with vegetation. Land used for other special purposes (housing, transportation, industry, national defense...) currently accounts for nearly 5 percent of our land and is increasing. Thus, from a quantitative standpoint, more than one-third of our country's territory is not being efficiently developed or used.

Our country lies entirely within the humid tropics. In particular, we have much fertile land that can annually be used to harvest many different crops that produce high yields. But these geographical and climatic conditions also pose many difficulties to developing and utilizing arable land. There is still much land of very poor quality, as much as millions of hectares of some poor soil types, such as sulfate soil, acidic soil, depleted soil, eroded soil... Therefore, the coefficient of cropland use is still low. One-half of rice fields are only used to raise one crop per year. Much land has been lying fallow for years.

In addition, another major difficulty we face is the imbalance between labor and land nationwide. The average population density is about 180 persons per sq km. But some regions are very densely populated, such as Thai Binh (more than 1,000 persons per sq km) while others are very sparsely populated and lack labor, such as Lai Chau (slightly more than 20 persons per sq km) and Gia Lai-Kontum (nearly 130 persons per sq km). The average amount of agricultural land per capita nationwide is 1,159 square meters. But there are provinces in which the average is very low, such as Thai Binh (637 square meters), Hai Hung (668 square meters) and Ha Nam Ninh (726 square meters) and other provinces in which it is quite high, such as Minh Hai (1,182 square meters), Gia Lai-Kontum (2,398 square meters), Tay Ninh (2,683 square meters)... The Red River Delta accounts for only 5.26 percent of the land of the entire country but 22.4 percent of our population. Meanwhile, the Central Highlands account for 16 percent of the country's land but only 2.8 percent of our population.

To be better able to make full use of the country's arable land, we reinvestigated and resurveyed arable land and classified soil in types, beginning with classifying the types of soil used to raise rice, and will eventually evaluate the land economy, register land use rights and set up land management files. In addition, a number of

other jobs involved in the state's management of cropland are also gradually being put on a regular basis, such as parceling out and taking back land, inspecting the management and use of cropland, resolving disputes, complaints and suits regarding cropland...

However, the returns from the work mentioned above are still very limited. Agricultural land, particularly land used to raise grain and food products, is still not being thoroughly protected. The amount of land covered by forests has been greatly reduced. The amount of barren land and the amount of land in bare hills and mountains are increasing. These factors not only adversely affect production and everyday life today, but will also cause much harm from the standpoint of the stability of the ecosystem and the protection of the environment in the future. Negative phenomena in the management and use of cropland, such as the unauthorized parceling of land, not using land for the purpose for which it was parcelled out, illegally buying, selling and encroaching upon cropland, using cropland wastefully and so forth, still have not been stopped.

The shortcomings mentioned above are due to our failure to correctly evaluate the position and importance of cropland in social management and the development of the economy and our failure to consider cropland to be one of the matters of foremost concern when formulating policy as well as when drawing up economic construction and development plans. On the other hand, for many years, management has been lax, policies have been inadequate, the sense of ownership of the persons who use cropland has not been tapped...

To solve the practical problems presented above, we need to have a complete system of policies, principles and regulations on cropland so that the state can very accurately assess the basic situation concerning cropland and insure that cropland is used in a rational and efficient manner consistent with the immediate and long-range interests of those who use cropland and of all society. The purpose of promulgating the cropland law is to meet these demands.

## II. The Basic Spirit of the Cropland Law

### 1. Protecting national ownership of cropland.

In the process of advancing to socialism in our country, the socialization of the ownership of cropland is a practical demand. Prior to 1980, preparations were made for meeting this demand by expanding two forms of ownership, national and collective ownership of cropland. When the 1980 Constitution established that all cropland is under national ownership, the socialization of the ownership of cropland was thoroughly achieved from a legal standpoint. In the eyes of the law, the state is the owner of all cropland. The state parcels out land to organizations and citizens to use for specific purposes. In practice, time is needed to implement this policy in order to change perception through the enforcement of

the specific provisions concerning functions and authority in the management and use of cropland. In many previously promulgated documents, the state has prohibited every form of behavior directed against cropland that is under national or collective ownership and the conversion of national or collective ownership into private ownership of cropland. At the same time, it has encouraged and created every possible favorable condition for gradually converting private ownership of cropland into collective ownership through collectivization in the form of low-level to high-level cooperatives. In addition, the state has also prohibited, in principle, all use of land to earn income in ways other than through one's labor, such as buying and selling land for a profit, charging land rents, etc. In the distribution of cropland, the state gives priority to state-operated and collective agriculture with a view toward developing large-scale, socialist production.

### 2. Unified management of cropland by the state in accordance with a master plan.

Planned economic development is a characteristic law of socialism. Utilizing cropland in accordance with a common plan of the state is an objective requirement consistent with this characteristic law. In order for cropland to be used in accordance with planning, to insure that it is utilized in a highly rational and efficient manner throughout society, the state necessarily must provide unified management of cropland throughout the country's territory. At the same time, it must distribute material-technical conditions and labor in a reasonable manner to insure that the potentials of cropland are developed well.

Making highly rational and efficient use of all cropland is the main objective in the socialist management of cropland. This objective stems from the nature of the socialist system as it relates to cropland and is manifested in land use planning and plans. This planning and these plans are consistent with the overall planning of the state and their implementation is guaranteed through unified management by means of laws. It is only under the socialist system that the state can fulfill this function. Because, the interests of those persons who directly use the cropland of the state and the interests of society are the same. On the other hand, the state participates in legal relationships regarding cropland not only as the representative of national sovereignty, but also as the owner of cropland. The functions and authority of the state in the legal relations regarding cropland are concentrated in two fields:

First, the state gives exclusive authority to manage cropland to the organs of power on the various levels, which they do under the unified guidance of the central level and the assistance of a system of specialized agencies.

Secondly, each organization and citizen that uses cropland has the right and the obligation to use it for the purpose stipulated by the state.



3. Protecting existing agricultural land and land in use in forestry while thoroughly utilizing all land with potential uses in agriculture and forestry.

Within a planned agro-forestry economy, establishing a structure of land use that is compatible with the different classes of soil, in general, and between agriculture and land used in forestry, in particular, is a matter of utmost importance.

Protecting agricultural land—the land upon which man exerts a direct impact through his labor to produce grain and food products to support himself—is protecting the most important material conditions needed to maintain and develop the life of society. The provisions of the cropland law, in the final analysis, are aimed at protecting agricultural land in two respects: the amount of agricultural land and soil fertility. As defined in legal relations, protecting this land is the obligation of each organization and citizen, most importantly of those who directly manage and use agricultural land.

As regards forestry land—the land under the forest resources of the state, which includes land covered by forests and land which has been zoned for use in meeting forestry needs—the provisions of the law state: relations arising from the use of forest resources of the state are regulated by the law on forests while relations arising from land on which there are forests or land to be afforested are regulated by cropland law. This distinction, however, is only relative because the provisions of the law regarding cropland which is part of forest resources are aimed at protecting and enhancing the forest resources of the country, at organizing the rational use of these resources. These objectives are also set forth in the provisions of the law on forests. In the separate regulations on forestry land, the matters of greatest interest are that of clearly defining the rights and obligations of those citizens to whom land is parcelled to be planted with forests or to be used in a business, improved and protected and that of jurisdiction and procedures as they relate to the parceling of land and forests.

Through the primary provisions of the cropland law, we also see that cropland resources are not only used as a special means of production within agriculture and forestry, but are also considered a factor of the environment and the base for distributing population centers and building economic, cultural, social, security and national defense installations.

One of the most important elements of the law are the specific provisions concerning the jurisdiction of the National Assembly, the people's councils, the Council of Ministers and the people's committees on the various levels in implementing cropland management regulations. These cropland management regulations are a condensed summary of our cropland management work. They insure that the state's management of cropland is

comprehensive, coordinated, close, unified and consistent with immediate as well as long-range economic construction and development tasks. The establishment of jurisdictions in the state's management of cropland has created the conditions for cropland management to not be decentralized. Rather, jurisdiction is balanced among the various levels, without allowing the lower level to do as it pleases and without allowing bureaucratic centralism to exist on the upper level. The responsibility of each level is clearly defined. As regards important matters, there is a more detailed division of responsibilities and participation by elected agencies.

In matters in which we still lack a grasp of the basic situation (such as planning the use of cropland), matters in which we do not have much experience (such as registering cropland and compiling cropland statistics) and in things that we have been doing out of habit (such as parceling land, resolving property disputes in a manner closely tied to the use of cropland...), the approach we take must be flexible so that we do not cause unnecessary disruptions but still act in accordance with established principles.

The law gives special attention to defining the principles governing the use of agricultural land: persons using this type of land may not let it lie fallow. They must practice intensive cultivation and specialized farming. They may not take it upon themselves to use this land for other than the stipulated purpose. Agricultural land used in the household economy is apportioned to basic units under a regulation of the Council of Ministers. Garden land is protected and developed in areas where conditions and needs exist. The law also sets forth the principles for dealing with the land of religious institutions and land parcelled out to farmers who are still engaged in private production.

### III. Organizing the Enforcement of the Cropland Law

Here, three important and closely related efforts can be mentioned:

1. Formulating regulations on the enforcement of the cropland law.

The cropland law only defines the major principles that apply in the management and use of arable land. In some of its articles, particularly the articles on the use of the various types of soil, the law assigns the Council of Ministers and the people's committee the responsibility of stipulating the details and specifics relating to each use, each matter pertaining to this use and each area. In keeping with this spirit, the people's committees on the various levels (particularly the provincial and district levels) must study the situation in their locality in order to promptly formulate specific regulations in accordance with the law and the instructions of the Council of Ministers.



The drafting and amendment of laws must be a regular part of the plan. This effort must be supported by basic research and entail a specific division of labor and responsibilities. This is an indispensable aspect of the state's management task, in general, and its management of cropland, in particular.

## 2. Propagandizing the law on cropland.

On the basis of increasing the knowledge of the law among those persons who manage and use cropland, we must also show everyone the position of cropland in each social activity, particularly on the economic front. We then must heighten everyone's sense of responsibility so that everyone practices utmost frugality in the use of cropland and is concerned with planning the use of cropland, with enriching and improving cropland in order to continuously increase the socio-economic returns from cropland.

In propagandizing the law on cropland, it is necessary to clearly show what the current state of our cropland resources are and the difficulties and prospects we face in managing and using cropland in the future. We must also show how this situation affects our country's socio-economic life and the interests of our people.

The forms of propaganda employed must be effective. These forms must insure that each person clearly understands the contents and importance of the cropland law. They must combine presenting advanced model units and collectives and individuals who set good examples in the management and use of cropland with generating harsh public criticism of intentional violations of the law.

## Organizing cropland inspections.

Inspecting the enforcement of the cropland law plays a very important role in organizing the law's enforcement. Inspections are not only aimed at bringing to light, prosecuting and putting a stop to violations of the law, but also help to increase everyone's awareness of the law, bring to light matters concerning which the law needs to be amended and promptly praise organizations and individuals who observe the law well.

In order for inspection work to be effective, we must conduct inspections throughout the territory of a number of key places within an area or throughout an entire area and coordinate inspections with the day to day management of cropland. On the other hand, we must concentrate on dealing with a number of model cases and incidents (both good and bad) very well. This, along with our efforts in propaganda and education, will generate good public opinion and gradually establish the practice of prosecuting violations of the law in a strict but fair manner.

In order for the cropland law to be implemented well in everyday life, the managers and users of cropland must have a thorough understanding of the law and comply with it to the letter. The state, as the owner and exclusive

manager of cropland resources, must have a system of organizations that are strong enough to provide effective management. The organizations and individuals using land must clearly and fully know each of their obligations and rights when land is assigned to them so that they act on their own initiative.

7809

## Building the Structure of Commodity Agricultural Production

42100008c Hanoi TAI' CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 23-26, 37

[Article by Nguyen Dinh Nam, professor and assistant dean of the College of Economics]

[Text] Within each society, subsistence production is backward production and commodity production is the progressive production model. The process of advancing our country's agriculture from small-scale to large-scale production demands that we develop our subsistence agriculture into a commodity agriculture.

## I. The Structure of Subsistent Production

Above everything else, this is a structure characterized largely by monoculture and a lack of balance. Of the crops being grown, rice accounts for too large a percentage while subsidiary food crops, food product crops, fruit crops and industrial crops account for too small a percentage. This production structure does not permit the full and rational use of arable land, labor or the means of production. It makes it impossible to accelerate the development of agriculture and industry, especially the processing industry. This structure is characterized largely by backward, non-intensive cultivation, primarily of crops of low economic value. Production is mainly for domestic consumption and the value of export goods is insignificant.

At present, grain production in our country still does not meet the needs of humans. If we were to work very hard and achieve an average of 400 kilograms of grain per capita (that is, produce 28 million tons of grain for a population of 70 million), even this quantity of grain would only be enough to temporarily meet production and everyday needs. Thus, we would have to use about 80 percent of our cropland but still be unable to provide a stable supply of grain for domestic consumption. With the remaining cropland being used to produce other crops for consumption, how would it be possible to produce many export goods? In actuality, the volume of agricultural products being exported is not enough to import the materials and equipment needed for agriculture.

Our country's agricultural production is still largely non-intensive. The yields of many crops are still very low, equal to only 30-40 percent of the crop yields of the

developed countries. With the amount of cropland per capita not exceeding 0.11 hectare, crop yields which are very low for many years amount to a large waste of cropland and pose a major obstacle to changing the structure of agricultural production. The causes of this situation are: investments in agriculture are still small and have not been used in a rational manner; the material-technical bases within agriculture are still at a very low level of development; effective irrigation and drainage have not been established (only about 30 percent of cropland is irrigated and drained); and there has been a serious and persistent shortage of good seed, fertilizer, pesticides, farm implements and draft power. Many economic policies do not provide incentive for developing the production of agricultural commodities.

Within agricultural production, the development of livestock production is still very weak. For many years, livestock production has only accounted for about 20 percent of the value of agricultural output (in the developed countries, it makes up more than 40 percent). The per capita output of livestock products is very low. The poor development of livestock production is the direct cause of the fact that the structure of crop production is still largely characterized by monoculture and subsistence production, as mentioned above.

The underdeveloped state of livestock production is also due to the fact that the structure of livestock production is not compatible with feed capabilities or the livestock production conditions of the country.

Another problem is that agriculture, forestry and the marine products sector are separated from one another. In agricultural production, forests are destroyed. But when harvesting forests, attention is only given to removing timber and firewood, not to protecting and planting forests or producing additional grain, food products and so forth. On the other hand, the policy that every place must achieve self-sufficiency in grain and fulfill a grain obligation has, in many cases, prevented the potentials of other crops from being developed. Hastily sending citizens to build a number of new economic zones without calculating returns, without establishing appropriate forms of production organization, without adopting appropriate economic policies and without taking the correct view in analyzing overall economic returns in the business of the agricultural, forestry and marine product sectors are also causes of the separation that exists among these sectors. As a consequence, cropland has been eroded, forests have been depleted and the environment has been rapidly destroyed. These problems have posed many obstacles to the effort to improve the structure of agricultural production. Industry has yet to establish appropriate forms, scales and standards of processing to enable it to promptly process raw agricultural products. Processing plants are not located in the areas producing raw materials. This has caused transportation costs to rise and the quality of raw materials, particularly fresh products, to decline as a result of not being promptly processed. On the other hand, the industry supporting production and

everyday life in the countryside has not developed, thus impeding the development of a comprehensive production structure and causing production to be largely agricultural. This has caused the efficiency of labor to be low, the seasonal nature of labor to be high, the formation of capital to be low and the income and living conditions of farmers to be unstable.

## **II. Building the Structure of Commodity Agricultural Production**

The guidelines for building the structure of commodity agricultural production are to break the cycle of monoculture and subsistence production, establish balance among the various sectors, most importantly balance between grain production and the other production sectors, combine the development of agriculture with the development of forestry and marine products production and closely tie agriculture to industry within a single entity.

Thus, which measures need be taken to implement these guidelines and where should we begin?

We all know that grain production is of central importance. Without it, there can be no division of social labor. The realities of many years have shown us that resolving the grain problem is not simply a matter of producing grain, rather, we must produce subsidiary food crops as well. Nor is it simply a matter of expanding the amount of area under the cultivation of rice, the more the better. Rather, we must promote the intensive cultivation of rice and other crops and use agricultural products of high value to import grain when necessary. In our opinion, these are matters tantamount to laws, laws consistent with the characteristics of our densely populated country whose strengths lie in a rich and diverse tropical agriculture. During the period from 1971 to 1984, grain production increased rather rapidly not as a result of increasing the amount of area under cultivation, but mainly as a result of raising rice yields. At many advanced cooperatives, rice yields rose rapidly but the amount of area under cultivation did not increase at all. It is necessary to plan key rice growing areas in the Mekong Delta and the Red River Delta as well as in those provinces that have the necessary conditions. By investing the necessary technical materials in these areas and adopting rational economic policies, we can raise rice yields to levels 1.5 to 2 times higher than in other areas, thus allowing us to harvest a large output of rice in these areas. On this basis, we could reduce the amount of area under the cultivation of rice where yields are unstable in order to plant crops that yield better returns. Another direction that can be taken to break the cycle of the monoculture of rice is to appropriately improve the structure of the varieties in use and the seasonal schedule, introduce high yield, short-term varieties of rice, expand the cultivation of winter crops and raise additional vegetables, subsidiary food crops, livestock feed crops and annual industrial crops in order to produce additional grain and food products, additional

feed for livestock and additional export goods. If we move in this direction, we can increase the output of rice without needing to have as much area under the cultivation of rice as we do today. And, this will provide more cropland to be used to strongly develop the production of crops that provide us with a high rate of commodities and crops of high export value.

Incorporating high yield crops in the structure of agricultural production is a matter of utmost importance. According to an estimate by the FAO, only 10 percent of the agricultural development of the Southeast Asian countries between now and the year 2000 will come about as a result of expanding the amount of area under cultivation while 14 percent will be the result of multi-cropping and 76 percent the result of raising crop yields. In our country it would be good if we could manage to expand the amount of area under cultivation between now and the year 2000 enough to maintain the current average of 0.11 hectare of agricultural land per capita. Therefore, practicing intensive cultivation to raise crop yields continues to be the main path we must follow. Important steps we must take are to introduce high yield varieties, invest in water conservancy, expand the amount of area that is effectively irrigated and drained, provide a larger supply of fertilizer, pesticides, farm implements and draft power to agriculture and adopt appropriate policies to encourage intensive cultivation and higher crop yields.

Putting more land under the cultivation of corn and soybeans, making full use of agricultural by-products and organizing the processing industry well can create a larger feed base for livestock production. We must develop the production of those species of livestock that require less grain, such as buffalo, cattle, horses, goats and rabbits. The cultivation of fresh and brackish water aquatic products must be expanded. We must promote the raising of poultry within the household sector. More attention must be given to increasing the weight of hogs than to increasing the number of hogs. These are important directions to take to improve the structure of livestock production.

It is also necessary to plan the agricultural, forestry and marine products sectors within a unified, nationwide production structure as well as within each area, locality and enterprise. We must enter into contracts with each production unit and each farm household and closely tie their material interests to final, overall economic returns.

Developing small industry and the handicraft trades in the countryside is a matter of utmost importance if agriculture is to rapidly break the cycle of monoculture and begin producing many products and commodities. The economic forms and the sizes of organizations established at each place must depend upon habits and specific conditions. In the countryside, many different sectors and trades can be developed, such as the processing of agricultural products, the production of building materials, the repair of farm implements and machinery,

the production and repair of ordinary utensils and wooden furniture, tailoring and shoe repair services, the manufacturing of goods under contract and the production of art products for exportation.

The strong development of small industry and the handicraft trades in the countryside will permit the fuller use of local labor, supplies and raw materials and increase the income and improve the standard of living of the people in the countryside. It will permit us to gradually bring the cities and the countryside, agriculture and industry, farmers and workers closer together.

### III. Economic Policies

To shift from a subsistent agriculture to a commodity agriculture, a number of rational economic policies must be adopted. These policies must meet two requirements:

- First, they must stimulate the strong development of production for the purpose of producing many products, especially producing much grain and many food products and other products of high export value.
- Second, they must create markets for the rapid and stable consumption of the products produced, especially export goods.

An investment policy: the state must concentrate its investments in key growing areas, key sectors and elements of production in order to create many products and goods. In addition to investments by the state and collective, it is necessary to attract investment capital among the people. We should employ whichever form of production organization yields high returns and not distinguish among the different segments of the economy. Agricultural cooperatives and production collectives must enter into contracts directly with households. The state can parcel out land and forests to individuals and private parties to use on a long-term basis to raise perennial crops and protect and plant forests in accordance with overall planning. They need only pay taxes. They must have the right to decide which products they will produce.

Tax, procurement and price policies: these policies must establish reasonable tax rates that remain stable for a relatively long period of time. The procurement and sale of agricultural products must be based on economic contracts agreed to, without the exertion of any pressure, by the buyer and the seller. Agricultural product procurement prices must enable producers to pay their production costs and earn a profit of roughly 20-30 percent. After paying their taxes and selling the quantity of products required under their contract, producers must have the right to freely use the remaining products.

A policy providing incentive for producers to produce agricultural commodities and agricultural exports. These producers must be given priority in the borrowing of



capital, the procurement of technical materials and the use of foreign currency so that they can develop production and apply technical advances. Their interests must be the same as or higher than those of other agricultural producers.

An agricultural insurance policy: the purpose of this policy is to compensate for losses to the producer resulting from natural disasters, pests and unfavorable changes on the international market so that they can carry out the reproduction process normally.

A policy encouraging the expansion of commodity trade: this policy must reduce the number of intermediaries and create favorable conditions for the producer and the consumer to maintain direct relations with each other in the procurement and sale of means of production and means of consumption. To accomplish this, besides expanding the use of trade contracts, it is necessary to develop marketing cooperatives and convenient forms of buying and selling products.

To be able to implement the above policies, we suggest the following:

First, the state must have the necessary reserves of capital, foreign currency, materials, goods and grain, without which it will encounter many difficulties in guiding the implementation of these policies.

Secondly, the state must have a corps of honest and competent cadres as well as an effective apparatus to provide guidance, one which consists of cadres who know how to provide state management as well as manage production and business.

Thirdly, the agricultural sector as well as the corporations, general corporations and basic units must institute a system of reasonable economic-technical quotas and be held materially accountable for the final results of the production of the sector or unit of which they are in charge to insure that they are able to pay each cost and operate their businesses at a profit. Wages and bonuses must be dependent upon the results of production.

7809

#### **Understanding the Application of Lenin's Cooperativization Plan in Vietnam**

42100008d Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 27-32

[Article by Tran Duc, economic specialist]

[Text] Lenin's cooperativization plan has been successfully implemented in socialist countries and in countries developing toward socialism. Historical necessity requires that all these countries comply with common

laws. However, the forms and methods of cooperativization have differed depending upon the socio-economic conditions and the national and historical conditions of each country.

1. To begin with, in the view of Lenin, the development of industry is of important significance in the socialist transformation of agriculture, is the most important prerequisite to building socialism in the countryside. Heavy industry is the only base of socialist society. In March 1919, Lenin said: "If, in the future, we are able to supply 100,000 of the best tractors, provide an adequate supply of gasoline and tractor operators (to want to accomplish this now, as you know full well, is illusory), middle peasants will say: 'I support the commune' (that is, support communism).<sup>1</sup> On many different occasions, he stated that only with a material-technical base, only with electrification is it possible to change the psychology of the small peasant and create the conditions for successfully cooperativizing the basic production units of peasants.

However, when embarking on collectivization, the development of Soviet agriculture had virtually stopped at the stage of the "manual labor worksite." Agriculture was based primarily on manual labor. One-third of peasant households did not have a horse. Industry was still weak and unable to transform agriculture. Clearly, the collective farms of that time were only able to socialize production in form, not in substance.

In our country, cooperativization was virtually completed in the North in 1960. Industry was still young. Agriculture had been equipped with 397 tractors, the total power output of which was 7,600 cv. Some 4,300 hectares of cropland, 0.15 percent of the amount of area under cultivation each year, were plowed by tractors.<sup>2</sup> In 1981, 25 years later, the number of tractors in use had risen to 43,260 (46.49 percent of which were large tractors and 53.51 percent of which were small tractors), the majority of which had to be imported. The percentage of cropland plowed by machine each year was only one-fourth. The major portion of chemical fertilizers and pesticides also had to be imported. By the early 1980's less than 0.5 million tons of chemical fertilizers were being produced domestically each year.

Such were the circumstances under which the North virtually completed cooperativization in 1960, cooperativizing 85.8 percent of farm households and 68.1 percent of total farmland. In 1984, we organized more than 15,600 cooperatives nationwide (85 percent were high level cooperatives) with more than 5.3 million cooperative member households, or 61.5 percent of the total number of farm households. Thus, we had socialized production within agriculture only in form, not in substance, because the majority of the cooperatives established still used buffaloes to plow their fields and our newly constructed heavy industry was unable to transform our backward agriculture. To achieve truly advanced production relations, we must accelerate



industrialization. Experience has shown that this will take several decades to accomplish. At a time when production forces are backwards and characterized by manual labor, it is necessary to select suitable forms of cooperativization.

2. Here, it is truly apropos to recall Lenin's important view that socialist transformation in the countryside must begin with forms of cooperatives that are readily accepted and easily understood by peasants, such as marketing cooperatives, consumer cooperatives and credit cooperatives, and then gradually shift from the simplest forms of cooperatives within the scope of circulation to production cooperatives. The forms of organization mentioned above are the first schools for educating peasants in the benefits of collective production, in the selection of persons for management boards, in management methods, etc.

Within marketing cooperatives, peasants retain their ownership of the means of production and the products they produce. They market agricultural products and are also able to buy industrial goods. Through the market, socialist industry is brought closer to the private economy of peasants. Consumer cooperatives play an important role in circulation and have begun to become the primary system of commerce in the countryside. They strengthen the economic cooperation between workers and peasants while showing peasants the benefits of a collective organization and preparing them for the cooperative approach. Credit cooperatives make loans to peasants and stimulate the development of the peasant economy. However, during the early years of the Soviet administration, state finance, credit and circulation were in chaos, consequently, these forms of cooperatives developed more slowly.

During the early years, due to the low level of development of the commodity economy and the low level of specialization within agricultural production, agricultural cooperatives were general in nature, encompassing everything from marketing agricultural products and supplying means of production to credit services and the processing of raw materials. Later, as a result of agricultural production being restored and developed on the basis of the new economic policy, the nature of the operations of cooperatives changed: in conjunction with agricultural cooperatives, cooperatives specializing in production and marketing rapidly developed, such as cooperatives marketing unprocessed agricultural products (such as milk, poultry, bees, seed, cotton, vegetables, sugar beets...), cooperatives marketing preprocessed agricultural products (such as butter, cheese, tobacco, potatoes, wine...) and, lastly, agricultural production cooperatives. At first, these types of cooperatives did not socialize the means of production and did business in many different areas under many different names, such as crop production associations (seed production), livestock production associations (specializing in the procurement of pure bred livestock with the aim of increasing the reproductive capacity of livestock), seed

associations (supplying seed of high quality and implementing comprehensive technical measures), machine associations (a few peasant households or a few villages joining together to use complex machines), soil improvement associations (performing both irrigation and drainage work), etc. In 1927, agricultural cooperatives had nearly 9.5 million members, some 39.2 percent of the total number of peasant households. By late 1929, this number had risen to more than 55 percent of peasant households.

Next to come was the movement to build collective farms. This movement was of a distinct class nature from the very outset: before shifting to complete collectivization in 1929, the CPSU soviet state placed controls upon the kulaks and limited their ability to collect land rents and hire manpower. Through economic measures (such as forcing them to pay high taxes and sell their wheat to the state at fixed prices), the Soviet party and state limited, to the maximum degree possible, the scope of development of capitalist elements in the countryside. However, it was not until 1930, when the collective farms and state farms had produced some 400 million pood of commodity wheat, that the policy of annihilating the kulaks as a class was implemented.

In the process of building, three basic forms of organization emerged: the joint plowing association, the agricultural artel and the agricultural commune. All three were based on the collective ownership of the primary means of production. However, the main form of organization was the agricultural artel which, in terms of the public ownership of the means of production, occupied a position in between the agricultural commune and the joint plowing association. Within the agricultural artel, cropland, such primary means of production as machinery, equipment, draft power, economic projects and so forth and labor were collectivized. The remaining items, housing and auxiliary property, such as livestock (the scale of which was limited by statute), were under private ownership. Income was distributed per workday on the basis of the quantity and quality of work performed. In the early 1930's, the agricultural artel became the primary form of management of the collective economy and subsequently became the only form. Later, the name "agricultural artel" lost all significance and was changed, in documents of the party and state, to "collective farm."

We have described in detail the various transitional forms of organization that existed prior to the collective farm movement to show that this process occurred over a period of many years and involved a very wide diversity of forms of organization and management, all of which complied with two characteristic laws: on the one hand, there was an orderly progression from low level cooperativization and non-production cooperativization to high level cooperativization and the cooperativization of production; on the other hand, within the cooperativization of production there was also an orderly progression from low level cooperatives to high level cooperatives.

In addition, it must be stated: in the autumn of 1929, the forms of organization mentioned above suddenly ceased to exist and, late that year, small peasant households were shifted to hastily established collective farms without the necessary stages of practical training. Due to the considerable difficulties encountered in procuring wheat in 1927 and 1928, the party insisted that it was necessary to rapidly collectivize agriculture in order to quickly resolve the crisis. This gave rise to the increased use of compulsory orders in the movement to establish state farms.

3. In our country, the agricultural cooperativization movement was also of a distinct class nature from the very outset. The class line in the countryside following cooperativization was virtually no different than the class line adhered to in the cooperativization movement: on the one hand, emphasis was placed on the need for unity between poor peasants and middle peasants; on the other hand, a distinction had to be made between the base, poor peasants and middle peasants in the lower strata, and the object, middle peasants, with this difference (which formed under the old system) eventually being abolished. After the majority of peasants had joined cooperatives, the class of collective peasants began to be formed. Wealthy peasants—the final exploiting force in the country—had been abolished as a class. In the South, the class line in the countryside since liberation day was one of providing wholehearted economic assistance to peasants who work for hire and poor peasants, who make up nearly 60 percent of peasant households, and educating and persuading middle peasants in order to bring them into collective production while taking appropriate measures to utilize wealthy peasants in conjunction with limiting their role, transforming them and eventually abolishing the wealthy peasant economy.

We have yet to conduct a full-scale research project concerning the various forms of cooperative work exchange that existed prior to the cooperativization movement. Various forms of mutual assistance in production in the countryside, such as work rotation, work exchange and so forth, developed rather strongly. Forms of mutual credit assistance, such as mutual savings groups, mutual loan groups and so forth, as organizations to help one another market products and supply goods rarely appeared. And, generally speaking, cooperatives in the field of circulation did not develop as strongly as they did in Russia during the years preceding the production cooperativization movement in agriculture. Although marketing cooperatives and credit cooperatives were subsequently established at many places, their role and impact were impeded in certain respects, particularly in areas in which the commodity economy was underdeveloped.

In a very short amount of time, on the basis of collectivizing cropland and the other means of production, agricultural production cooperatives were established

from work exchange teams and began to adopt production guidelines, organize basic production units together with units and teams in the different sectors and trades, mobilize their members to build material-technical bases and introduce technical advances in fields, thereby causing collective production to develop to some extent and helping to strengthen the alliance of workers and peasants and the proletarian administration in the countryside. The cooperative system also made it possible to mobilize manpower and materiel and strengthen the rear area so that the frontlines could win victory over the U.S. aggressors. Although agricultural production developed in a slow and unstable manner, the North still mobilized roughly 1 million tons of grain per year prior to 1975 and the entire country mobilized from 2 to 3 million tons per year during the early 1980's.

However, due to simplistic thinking concerning socialist transformation and vague concepts of socialism combined with subjectivism and impetuosity (stemming from utopian socialism), we hastily upgraded work exchange teams to cooperatives. Even in the establishment of cooperatives, many places did not adhere to the principle of voluntary association—which, according to Lenin, is one of the most important principles in the process of cooperativization—but used administrative measures to reorganize peasants without respecting the principle of making an orderly transition from the low form to the high form. They hastily established public ownership of draft buffalo and cattle herds and subsequently, quickly upgraded cooperatives to high level cooperatives and continuously launched many drives to expand the scale of cooperatives, making them too large... These shortcomings reduced the desire to work of peasants to some extent and adversely affected agricultural production.

For a long time, instead of allowing cooperatives to fulfill their economic functions through the market with the support of the relationships between goods and money, cooperatives put into practice a mechanism of centralized and direct administrative management and unified production, distribution and accounting. Labor was organized and managed in a centralized manner and on a large scale. The basic point that needs to be made here is that income within cooperatives was distributed on the basis of the quantity and quality of mandays worked. This level of management proved to be too high compared to the low level of production forces. As a consequence, cooperative members were not eager to participate in collective labor and production costs increased several times, thus causing the value of the manday to steadily decline. Income from the collective economy was frequently less than income from the household economy. Clearly, the desire of collective peasants to work had been dampened.

To correct these shortcomings, peasants, drawing from their own experience, introduced product contracts, which have helped, to some extent, to bring vitality back to the countryside. Cooperative members keep all that

they produce over and above their contracts. The output produced under contracts is still distributed to cooperative members on the basis of the quantity and quality of their work. However, the desire of cooperative members to engage in production remains limited and to find a basic solution to this problem, we must deal with the manday system.

4. Lenin not only advanced the principles that apply in organizing cooperatives, but also set forth the primary methods employed to strengthen cooperatives, particularly within the context of small-scale, commodity production agriculture that is encountering more than a few difficulties. In particular, especially in the initial stage, he wrote: "Each social system only comes into existence if it is financially assisted by a particular class... At this point in time, the social system which we must support more than any other is the cooperative system."<sup>3</sup> The support of the proletarian state for the cooperative system is comprehensive and steadily increasing support. It is provided by giving cooperatives special economic, financial and budget privileges, such as making loans to cooperatives. "Peasants who participate in cooperative trade should be given a bonus."<sup>4</sup> Lenin also stated that total cooperativization demands "a cultural revolution," demands new and higher standards in culture, science, art and education. And this will require an entire period of history to accomplish and "involve unimaginable difficulties from a purely cultural perspective (we are illiterate) as well as from a material standpoint (because, to become educated persons, the material means for production must reach a certain level of development, we must have a certain material base)."<sup>5</sup> Following the teachings of Lenin, our party and state actively assisted the cooperative system from the very outset in every possible way, from investing in water conservancy projects to applying mechanization within agriculture, from carrying out the green revolution to training technical cadres and managers for the countryside. However, it must be acknowledged that the steps which were taken only yielded limited returns. Now that we have come to recognize the position and role of agriculture as the front of foremost importance, we lack capital because, in previous years, we spread our capital over many different objectives and are unable to concentrate on agriculture as we desire. Moreover, in the promulgation of policies, we have committed shortcomings, even made mistakes. For example, for a time, the contributions made by peasants were not stable. Since the money exchange, prices have taken a long slide and the gap between the prices of agricultural products and the prices of industrial goods has steadily widened to the disadvantage of peasants. This has adversely affected the development of production in the countryside.

5. The Soviet countryside has been following the path of cooperativization charted by Lenin for more than two-thirds of a century. The CPSU and Soviet state have creatively developed cooperativization by introducing new forms and methods, such as raising the level of

public ownership exercised by farms, expanding collective farms-joint collective farm organizations, increasing the percentage of cooperative funds not distributed to members and taking every possible step to stimulate the desire of farm members to work. In conjunction with strengthening the material-technical base of collective farms, the development of agricultural production together with the emergence of basic industrial units in the countryside led to the birth of new forms of cooperation in production, the agro-industrial combines. Within these combines, basic units specializing in crop and livestock production are unified by sector and territory with industrial processing enterprises of the state. Agricultural labor becomes a form of industrial labor. The three forms of ownership (national, collective and household) are combined in a way that is well balanced. On this basis, the basic difference between the countryside and the cities is gradually abolished.

Looking back over the 30 years since the cooperativization movement in our country and comparing this movement to the cooperativization plan of Lenin, we learn many valuable lessons and gain much valuable experience. Lenin's famous arguments concerning the development of industry being the important prerequisite to cooperativization and socialist construction in the countryside; the need for comprehensive and increasing support from the proletarian state for the cooperative system; the need to carry out the cultural revolution to achieve total cooperativization; the need for an orderly progression and a spirit of voluntary association when shifting from the small-scale production economy of private peasants to large-scale, socialist production; the many levels on which cooperatives develop, from the simplest to the highest and so forth, all these things can be universally applied in the socialist countries and the countries developing toward socialism.

The application of Lenin's cooperativization plan to the circumstances of our country has been marked by many shortcomings and mistakes, the overriding causes of which have been subjectivism, impetuosity and the desire to skip stages. Now, more than ever before, imbued with Lenin's basic views concerning cooperativization, we must conduct a review of the experiences gained in the movement over the past quarter century, with importance attached to the universal laws of the cooperative system. We have moved ahead too rapidly. Is it not time for us to take a few steps backward and reduce the level of production relations to a level compatible with the low level of development of production forces? Real socialism demands that we not impose upon backward production forces the cooperative system representing progressive production relations, rather, we must quickly replace this system with economic forms that are compatible with buffalo and plowing by hand, at least between now and the year 2000.

We are living in a period of transition in which there is both socialism and capitalism and, there is much that we do not have because our country is in the initial stage of



this transition. However, we should not be impetuous. To realize a bright future, we must immediately begin to gradually follow the path of cooperativization without fear of difficulties or hardships and must constantly work to bring about the total victory of socialism throughout the rural areas of our country in the first decades of the 21st century.

#### Footnotes

1. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1977, Volume 38, p 247.
2. Statistics General Department: "Fifteen Years of Building the Socialist Economy."
3. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1978, Volume 45, p 423.
4. Ibid.
5. Ibid., p 429.

7809

#### The System of Social Ownership in the Period of Transition to Socialism

42100008e Hanoi TAP CHI CONG SAN in Vietnamese No 3, Mar 88 pp 33-37

[Article by Tran Dinh Nghiem]

[Text] The system of social ownership defines the nature, characteristics, form and structure of the different segments of the economy and classes of a society. It determines the goals of social production and the mechanism regulating this production. Each mode of production is characterized by a specific form of ownership of the means of production. Slave, feudal and capitalist societies are based on the private ownership of the means of production. In socialist society, public ownership of the means of production in the two forms of national ownership and collective ownership is the basic, dominant and prevailing economic relationship. The establishment of public ownership of the means of production, even in the period of transition to socialism, is a universal necessity. It resolves the contradiction between the social nature of production and private ownership of the means of production, thereby opening possibilities for production to develop more strongly, more rapidly and in a planned manner throughout society, abolishing the causes and conditions underlying the division of society into workers and exploiters and causing the members of society to become collective workers, become the masters of the means of production, the organization of management and the distribution of the products produced.

In practice, however, the construction of real socialism in our country as well as the fraternal socialist countries in past years have proven that these superior aspects of

the socialist system of ownership have not exerted their full impact. There are objective and subjective reasons for this, reasons which relate to our perception and to how implementation has been organized.

To begin with, the establishment of socialist ownership of the means of production does not lead to the boundless development of production forces. Rather, it only removes the social obstacles and contradictions that stand in the way of the development of production forces. The superior nature of the new production relations, of the socialist system of ownership is limited by natural conditions, such as natural resources, arable land, minerals and the extremes of nature which man is unable to control. The superior nature of the new production relations, of the socialist system of ownership is dependent, to a very large degree, upon the quality of management and the implementation of distribution in accordance with economic interests. In particular, the superior nature of the new production relations is dependent, to a decisive degree, upon the nature and level of development of production forces. Production forces and production relations, although closely tied to each other, are not one. Even though they have compatible production relations, production forces have, from the standpoint of development, requirements and specifics of their own. Therefore, only on the basis of the nature and level of development of production forces is it possible to establish appropriate forms and an appropriate structure of socialist ownership of the means of production. At the same time, it is on this basis that rational forms of production and business organizations, economic management methods and forms of product distribution are established in the process of building socialism, especially in the initial period.

V.I. Lenin stressed that one fundamental characteristic of the period of transition to socialism is an economic structure consisting of many different segments. These economic segments do not exist in isolation, rather, they intertwine with one another in everything from production to distribution-circulation. Thus, many different types of ownership also exist at the same time: the private ownership of small-scale producers, such as farmers, handicraftsmen and small merchants; capitalist private ownership; and collective ownership and state ownership (or social ownership) of the means of production. However, depending upon each country, sector, economic field, locality and territory and because the level of development of production forces differs, the forms and structure of these various types of ownership differ in position and proportion. In those socialist countries that have experienced industrialization, countries in which the level of socialization of production and labor is high—this socialization is an economic-technical necessity—state ownership and, corresponding to it, the state-operated economy account for the major portion of ownership and occupy the position of absolute dominance throughout the national economy. In other countries, due to the vagaries of history and the fact that production is still natural, subsistence production in



many fields and zones because these countries are advancing to socialism. In an underdeveloped economy of small-scale private ownership and private production and business, mainly of farmers, handicraftsmen and small merchants still exist for a large percentage of ownership and play an important role in the socio-economic life of the country. Within each country, the level of development of the various sectors and the different economic zones also vary depending upon natural conditions, national traditions and, in particular, the level of development of production forces. Generally speaking, agriculture, and then the services, are the fields that develop the slowest. The countryside and the mountains develop more slowly than the cities, the lowlands and so forth. As a result, private ownership and private production and business, mainly of farmers, handicraftsmen and small merchants in these fields and zones constitute a larger percentage and have a greater impact than the other fields and zones. This explains why, in some socialist countries, even though they have passed through the period of transition, private production and business continue to be maintained and developed in some fields and zones of the country. For example, in the GDR today, private and private cooperative services perform two-thirds of the work involved in the repair of household items. In 1982, Hungary permitted vehicle owners to use their private cars as taxis and establish private taxi corporations. As a result, today, private individuals and private corporations occupy an important position within the passenger transportation system. Since the 27th Congress in the Soviet Union, the party and government has issued decisions allowing private individuals to engage in production and business in a number of fields and zones, most importantly in crop production, livestock production and the services.

In socialism, especially during the period of transition, the forms and structure of the socialist system of ownership as well as the forms and structure of production and business that correspond to it always have a reciprocal impact upon one another and develop in line with a common trend: private ownership and private production and business gradually being reduced in scope or eliminated while socialist public ownership is steadily strengthened and developed in a manner compatible with the development of production forces. State-operated economic organizations gradually assume the position of absolute dominance and control the entire national economy, including agriculture and the services. This process of movement and transition is the combined result of economic, political, cultural and social factors, with the development of production forces being the factor of most decisive significance. Aware of this movement, the socialist state effectively regulates it in a planned manner and causes this process to unfold in a more conscious and rapid manner. Processes can only be shortened when we learn and create the objective factors they demand. However, we cannot skip stages that are a matter of economic-technical necessity.

Facts have shown that we can easily change the name of a production or business organization, that is, change its

ownership relations from a legal standpoint. By means of a regulation, a private production enterprise can immediately become a "production cooperative" or a "state-operated enterprise." But simply changing a name in this legal sense does not lead to a change in the nature of an enterprise's production. In more than a few cases, such changes have been followed by a worsening situation, by poor productivity and quality. To bring about a change for the better, it is necessary to have a corps of cadres who are skilled in organization and management, are experienced in economic work and necessary to have the means, materials, equipment and capital to invest in production. Obtaining these things requires time. The more backward a country, sector, field or economic locality is, the longer this takes. The existence of small-scale commodity production further complicates and prolongs the process of establishing and developing socialist public ownership of the means of production. Both theory and practice show that in the case of the ownership exercised by small-scale producers, the initial forms of transformation are usually easier to apply than when transforming capitalist ownership. However, the existence of small-scale production poses a very large obstacle to efforts to continue to strengthen and develop socialist production relations once they have been legally established and cause them to truly become an economic necessity, a progressive social form of the new production forces. This demands a highly developed, large-scale machine industry that is fully capable of retooling agriculture and the entire national economy. Building a developed, large-scale machine industry requires many months and years as well as large reserves of materials, equipment, capital, science, technology and skilled cadres and workers. Under these conditions, as V.I. Lenin said, we should first immediately perform the easier, more realistic and urgent jobs of restoring and developing agriculture, small industry, the handicraft trades, the consumer goods industry and the export goods industry and allow the private segments of the economy to exist within certain scopes and limits. When production and business units, cooperatives or production collectives are yielding lower returns than before they were federated, should we not reexamine these organizations to see if they were established prematurely? If such is the case, we should either augment objective factors and make them complete, reduce the scale and level of production and business or make improvements in the areas of organization, management and distribution to insure that the various interests are well balanced.

Among the segments of the private economy—which are the object of transformation of the socialist revolution—the level of socialization also varies. Some enterprises are small, some are medium in size and some are large. Consequently, the forms and degrees of transformation of these segments also demand discrimination. The general principle is to nationalize and collectivize in a gradual, one step at a time manner so that production remains stable and normal, is not interrupted and does not decline and so that the socialist segment of the economy controls the key positions within the economy

at the outset, becomes "the command post" of the economy and guarantees that the economy develops within the sphere of socialism. Allowing private ownership and the private, capitalist segment of the economy to exist and operate on a certain scale and within a given scope during the period of transition is not done out of consideration for the goals of the capitalist, but arises from the fundamental and long-range interests of socialism. The objectives here are to make it less complicated and difficult to establish and develop a new, socialist economic system and make full use of the capital, technology and organizational and management experience of those segments of the economy which are not socialist but which still play a certain role in socialist construction. This is not a deviation that weakens the proletarian dictatorship. Rather, it is a form, a measure which helps to strengthen this dictatorship. The proletarian dictatorship can permit the capitalist segments of the economy to exist to some extent without the class nature of the proletarian dictatorship ever changing. The existence of private ownership and the utilization of the private segments of the economy for the sake of the objectives of socialism cause the class struggle and the struggle between the two paths in the period of transition to become more complex. In countries in which small-scale commodity production still predominates, the primary danger to socialism is that petty bourgeois spontaneity will emerge from this small-scale commodity production. V.I. Lenin stressed: "It is necessary to point out the mistake of those persons who do not see that the conditions of a petty bourgeois economy and petty bourgeois spontaneity are the main enemies of our country's socialism."<sup>1</sup> In the period of transition to socialism, although many economic segments and many different forms of ownership exist, the economy is still an economy that has a unified division of labor. Every element and process of the economy, regardless of its economic form and form of ownership, is an inseparable part of this economy. The production of no segment of the economy, including the state-operated segment, can proceed smoothly if it is not tied to the other segments of the economy. Therefore, when establishing principles and policies regarding private ownership and the private segment of the economy, we must take into consideration the extent to which they will affect the other segments of the economy and the actual socio-economic situation, in general. The difficulties encountered in supplying grain, food products and a number of other consumer goods within some fraternal socialist countries were caused by placing limits upon the private production labor of farmers and handicraftsmen, upon the subsidiary household economy at a time when no other economic forms exist which yield better results; by recognizing the existence of these segments of the economy in form only while not creating appropriate conditions and forms for them to operate and exert an impact; or by recognizing these segments from an economic standpoint but discriminating against them politically, socially and so forth.

On the other hand, the unity of the economy during the period of transition does not mean that each segment of the economy and each form of ownership of the means of production is equal in position and proportion. This dialectical unity is manifested in the socialist segments of the economy and socialist public ownership playing the dominant role vis-a-vis the other segments of the economy and forms of ownership. This dominant role is established during the period of transition and is steadily strengthened. When the socialist segments of the economy make up the major and absolute portion of the economy, they become dominant throughout the national economy. When many different economic segments and forms of ownership still exist, truly consolidating the socialist segments of the economy and socialist ownership is the most important and decisive, but also the most difficult and complex, of tasks. Because, when the socialist segments of the economy are not sufficiently strong, when they are unable to satisfy the basic needs of society and are not having a decisive impact upon the other segments of the economy, the factors of capitalist production and small-scale production are still able to encroach upon the position of socialism. Moreover, the factors of non-socialist production relations not only exist beside the new production relations, but sometimes exist even within these new production relations. That is, they infiltrate and undermine the socialist segments of the economy and socialist ownership from within.

The historical realities of real socialism show that being subjective and impetuous with regard to transforming and abolishing the private segments of the economy not only prevents the development of production forces, but also makes it impossible to strengthen and perfect the new production relations. The new forms of ownership that have been established have been largely legal in nature, lack economic content and have not exerted their full impact. The common and highest standards for selecting the forms of ownership and the structure of ownership in the period of transition are social progress, the development of production forces and higher productivity and economic efficiency with the aim of satisfying the material and cultural needs of the working people. In other words, we must insure that production relations are truly compatible with the nature and level of development of production forces. In keeping with this view, it is necessary to reexamine the forms and the structure of ownership, re-examine economic forms and organizations. Those forms which are currently impeding development and producing low returns should be reduced in scope and scale or even disbanded and replaced by new organizations that are compatible with the movement of objective economic laws. At the same time, economic organizations which need to be expanded or changed to a different type of organization should not be prevented from doing so.

#### Footnotes

1. V.I. Lenin: "Collected Works," Progress Publishers, Moscow, 1977, Volume 43, p 217.

### Putting Social Fairness Into Practice

42100008f Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 38-43

[Article by Dong Thao]

#### [Text] Part I.

Social fairness is manifested in equality in all social relations, the backbone of which is fairness in economic relations. Within the context of socialism, social fairness is "from each according to his ability, to each according to his work." Within the context of communism, social fairness is "from each according to his ability, to each according to his need." Under the specific conditions of our country today, as stated in the resolution of the Sixth Party Congress, the essence of social fairness is guaranteeing that the worker earns a satisfactory income based on his labor; respecting the legitimate interests of persons engaged in lawful business activities that serve the interests of society; and putting a stop to and harshly dealing with illegitimate income.

Social fairness is the fervent aspiration of the people. At the same time, it is the goal of and the moving force behind socialism. Because, without social fairness, it is impossible to mobilize the masses to enthusiastically build socialism.

President Ho once said the following immortal words: "We do not fear shortages, only unfairness in distribution. We do not fear poverty, only that the people are not content." The meaning of these words is that we should fear unfair distribution and discontent among the people more than we fear shortages, fear poverty.

For many different reasons and despite the importance of social fairness, we regrettably face rising social unfairness in many fields of social life. For example:

- There is no social fairness toward farmers, that is, toward agriculture and the countryside. Generally speaking, although the living conditions of farmers have been improved, they are still difficult and unstable and farmers still incur many losses. Although agriculture has developed to some extent, it is still the weak element of the economy. Although the face of the countryside has changed, it basically remains the backward countryside of an agricultural country. There are many reasons for this situation. However, it is primarily and directly due to the fact that our economic and social policies concerning farmers, agriculture and the countryside are inappropriate.
- There is no social fairness toward the different segments of the economy, particularly the collective economy. At present, small industry and the handicraft trades are producing nearly one-half of our industrial output and the returns from 1 dong in fixed assets within small industry and the handicraft trades is 3 to

4 times higher than it is within industry. Nevertheless, small industry-handicraft cooperatives are being treated as an "adopted child."

- There is no social fairness toward the various sectors and trades, the different strata of the people and the members of society. The workers within heavy industry generally perform more strenuous work and face greater difficulties in their everyday lives than do the workers within the light industrial sectors. The manual workers and civil servants within the production sectors earn less than their counterparts in the distribution-circulation sectors and, because of unreasonable price policies, some persons illegitimately earn a high income.
- Within the corps of cadres, there is also unfairness. More than a few persons whose talents are limited are quickly promoted as a result of flattery or being protected by an "umbrella." Conversely, competent cadres who dare to speak out and take action are the victims of prejudice and retaliation because they do not know how to "play the game."

#### Part II.

The question we face is: what must we do to help to insure social fairness?

To begin with, farmers, agriculture, and the countryside are the number one priority in guaranteeing social fairness because farmers are the strategic allies of workers, agriculture is the front of foremost importance and the countryside is a large base of socialism. Only by guaranteeing social fairness toward farmers is it possible to strengthen the alliance of workers and farmers and successfully build socialism.

The basic and long-range guideline for guaranteeing social fairness toward farmers is to gradually abolish the differences between farmers and workers so that the material and cultural lives of farmers and workers are brought closer together by gradually industrializing agriculture and urbanizing the countryside. To accomplish this, we must do the following:

- Adopt planning and policies for building the country, building new style cities and rural areas. Instead of building concentrated industrial zones and large municipalities, we should evenly distribute industry throughout the country and build many enterprises, industrial complexes and cities, towns and small municipalities that are interspersed with the countryside. This approach will not only bring the countryside closer to the cities and reduce the flow of persons from the countryside to the cities, but will also cut down on the environmental pollution generated by large industrial cities.



—We must make appropriate investments in developing agriculture and building the countryside. Agriculture must be developed toward intensive cultivation and specialized farming, must be combined with the processing industry and the expansion of rural communications and transportation. The development of small industry and the handicraft trades must be tied to agriculture and industrial-agricultural cooperatives must eventually be established. We must develop the household economy on the basis of the VAC (truck farming, pisciculture and animal husbandry) model plus the handicraft trades. Where possible, attention must be given to developing new sources of energy, mainly methane gas and wind power, to support the electrification of the countryside. Planning and policies must be adopted for gradually transforming and building the socialist countryside, thus combining the economy, politics, the culture, society and national defense in a way that is well balanced.

The support of agriculture and the countryside by industry (which includes communications-transportation and capital construction) must focus on four areas: equipping agriculture with technology, processing agricultural products, supplying consumer goods to farmers and building the new countryside. We must organize and strengthen the system of agricultural support services.

Of pressing importance in guaranteeing social fairness toward farmers is the need to take determined steps to revamp the economic policies concerning agriculture and farmers in keeping with the spirit of the Sixth Congress and the resolution of the Second Party Plenum, with special attention to the following:

1. Farmers have the sole right to use those agricultural products that remain in their possession after taxes. If the state wishes to procure these products, it must do so on the basis of the principles of equality and mutual agreement between buyer and seller and not violate these principles because it is experiencing a temporary difficulty. The sectors and levels must be prohibited from assigning an additional "agricultural product obligation" or requiring additional contributions which cause farmers to suffer losses.

2. We must abolish the practice of trading material resources of one kind for material resources of another and widely implement fair procurement, sales and payment at places agreed to and recorded in contracts. Both the state and farmers have the obligation to fulfill the economic contracts they sign.

3. We must adjust the spread between the prices of industrial goods and the prices of agricultural products, most importantly between the prices of grain and chemical fertilizers, in a direction which encourages production in accordance with the plan. The procurement prices paid for paddy and other agricultural products must be readjusted in accordance with the principle of

mutual agreement to insure that farmers, when working under normal production conditions, are able to meet production costs and earn a 30-40 percent profit.

Guaranteeing social fairness toward farmers and agriculture also means guaranteeing social fairness toward the ethnic minorities in the mountain provinces. For the most part, the mountain provinces were base areas of the revolution and are endowed with rich forest and mineral resources. Our fellow countrymen in the mountains possess a revolutionary tradition and supported the wars of resistance. But their lives continue to be lives of many difficulties and shortages, to the point where they do not even have enough salt. We have long failed to give full attention to the mountains. Our concern for that region has not been commensurate with the service performed by our fellow countrymen there. This is a major shortcoming that must be corrected at an early date. To guarantee social fairness toward our countrymen in the mountains, it is of basic importance that we implement the party's nationalities policy well and quickly bring the mountains to the level of development of the lowlands. The steps that need to be taken are: making every effort to achieve economic and cultural development in the mountains, with special attention to developing communications-transportation, state-operated industry, small industry-the handicraft trades and small hydroelectric power projects; doing a better job of establishing brotherhoods between the lowland provinces and the mountain provinces (the lowland provinces must consider building the mountain provinces to be the same as building their own provinces); and adopting appropriate policies in order to send many of our fellow countrymen and cadres in the lowlands to expand the economy and build new home villages in the mountains.

Second, we must guarantee social fairness toward the various segments of the economy. The period of transition is a period in which we both have and do not have socialism. It is a period in which many different economic segments still exist: the socialist economy and the non-socialist economy. Our consistent policy guaranteeing social fairness toward the different segments of the economy is equality. That is, anyone, regardless of the segment to which they belong, who produces wealth and performs work that is beneficial to society is to receive a proper return and be respected. Anyone who violates the law is to be punished.

In addition to agriculture, the collective economy within the production, transportation, building, circulation and service sectors are a large economic force within the socialist economy. Therefore, when we talk about guaranteeing social fairness toward the different segments of the economy, it is first of all necessary to treat this segment equally.

We must also adopt a fair view toward small industry and handicraft workers. These workers are positive in some respect and negative in others. We, however, must clearly realize that their positive aspects are predominant. We must reduce the scope of and eventually do away with the policy of small industry and the handicraft



trades working under contracts for the commerce sector. Because, this is an unfair policy, one which turns workers who are masters into persons who work for hire and are negative and passive.

The tax, price and income distribution policies concerning the collective economy must be improved to insure that the workers within this segment are able to live on their honest labor and need not seek income by other means.

Importance must be attached to the private and individual economy. We recognize that, during the period of transition, national bourgeoisie are needed by socialism very much. They are persons who possess both capital and management skills. Their activities not only increase the social product, but also help to provide jobs. We also understand that, within the context of socialism, it would not pose a problem if thousands, even tens of thousands, of private enterprises were to spring up in our country. We should not worry that we have too many private enterprises, only that persons who have money lack the trust needed to boldly invest capital in business. Therefore, the policy of our state is to recognize the permanent existence of the private economy and encourage its development within necessary sectors and trades and to acknowledge the high incomes of these persons.

The same applies to the individual economy. These are persons who work, have money of their own and possess technical skills and equipment. In many sectors and trades, they can produce numerous products and are an important force in small-scale, commodity production. Therefore, the policy of our state is to recognize their existence throughout the process of building socialism and to encourage them to develop from small-scale, commodity production to large-scale, socialist production.

It is also necessary to adopt a fair attitude toward the collective and individual economies in the fields of circulation and the services. Every effort must be made to strengthen and develop the networks of marketing, credit and service cooperatives and policies must be adopted which provide incentive for these cooperatives to operate in a legitimate manner. Persons who provide private services must be properly guided. In the case of small merchants, a distinction must be made between marketeers and persons who siphon goods from state-operated enterprises and disrupt the market and persons who earn an honest living, some of whom are retired workers and civil servants who must work to support themselves and many of whom are persons who have not been able to find work in a more appropriate trade. Those persons who do not earn their livings in a legitimate manner and who violate state policies must be prosecuted under the law.

Third, we must guarantee social fairness toward the different sectors and trades, the various strata of the people and each member of society. This is a vast field, one which requires many rational solutions.

For many years, real wages have not been sufficient to replenish the energies expended in labor. This has not only given rise to many negative phenomena in production and everyday life, but has also caused a loss of social fairness. In fact, because meeting needs is the law of life and the state has been unable to meet needs, all sectors, all localities and each person have been forced to meet their needs on their own. And, when needs are being met in this way, it is only natural that some persons receive much while others receive little depending upon the conditions at each place and the ability of each person to get what he or she needs. Therefore, to guarantee social fairness among wage earners, it is of basic importance that we quickly put into effect a uniform wage policy, one which guarantees that the energies expended in labor are replenished and guarantees distribution in accordance with labor.

It must be understood that wages are not only a factor of consumption. More importantly, they are a factor of production. Only by paying adequate wages (V) and buying ample means of production (C) is possible to carry out production and reproduction. While it is a truth that "one must work to eat," it is also a truth that "one must eat to work." Consequently, wages cannot be set at any level that suits convenience or paid late.

On the other hand, to thoroughly implement the principle of distribution in accordance with labor, it is necessary to expand the use of contract wages (piecework wages, wages based on business revenues and wages based on work performed) not only in state-operated production, but also in the administrative and professional sector. For example, the state could enter into an administrative wage fund contract with sectors and localities. At those places which reduce the size of their staffs but still complete their task, the wages of manual workers and civil servants would rise and vice versa.

In the production and business sectors, we must study and conduct pilot projects in the use of contracts governing both  $C + V$  to encourage workers to raise their labor productivity and economize on C in order to earn a high income. The contract formula here is  $V = \text{total income} - (C + \text{payments made for inclusion in the budget and deposits in the funds of the enterprise})$ . Thus, if C declines, V will increase and vice versa.

In principle, distribution in accordance with labor is not only applied in the wage policy, but must also be studied and applied in other social policies. For example, when distributing housing to two persons who meet the same standard, the one who performs better work should be distributed housing first.

The fact that prices have been divorced from value and lower than value have caused producers to suffer losses, caused farmers to suffer losses as a result of low agricultural product procurement prices and caused handicraft workers to suffer losses as a result of the low prices paid for contract work. Persons who produce export goods are

suffering losses because the prices of export goods do not provide appropriate incentive... On the other hand, the two-price mechanism and the fact that supply prices are many times cheaper than prices on the market have caused the state to incur losses. Black marketeers have become rich and some cadres have been profiting by the difference in prices.

It is necessary to implement a one price mechanism. Materials and goods should be sold at prices which approximate their value and are close to market prices. For example, thread should not be sold at 64 dong per kilogram, but 900 to 1,000 dong. Nitrogen fertilizer should not be sold at 56 dong per kilogram, but 100 dong. Selling at one price will not only eliminate the cause of illegitimate wealth obtained by profiting through the difference in prices, but will also help to generate increased budget revenues.

According to Marx, in order for prices to approximate value, supply and demand must be roughly in balance. This is the basic prerequisite. In order for commodity trade to become universal within society, there can be no monopoly of any kind, either natural or man-made monopoly. And, prices must be allowed to form on the market through the struggle among forces: the struggle between buyer and seller, the struggle between one seller and another and the struggle between one buyer and another. Consequently, in order for prices to reflect value, it is necessary to change our management approach in two ways:

—The state must concentrate on making an impact upon the causes of supply and demand, such as investing in the establishment of a rational economic structure, revamping its management in order to accelerate production, arranging to import goods that are still in short supply, punishing profiteers and hoarders... so that supply and demand are gradually brought into balance. Because, when supply and demand are in balance, prices will be stable.

—As regards specific prices, the state need only set the prices of some essential materials and goods. The authority to price the remaining materials and goods should be granted to producers and buyers through negotiation, provided that these prices are such that goods can be bought and sold, a profit can be earned and all taxes are paid to the state.

Incorrect policies on wages and prices combined with other reasons have not only caused social unfairness, but have also given rise to negative phenomena within society. Therefore, to insure social fairness, it is necessary, together with revamping economic policies, to strengthen the socialist system of law, accelerate the drafting of new laws and strictly enforce the law so that everyone lives and works in accordance with the law. The law must guarantee social fairness. It must prevent persons from being unjustly accused and must appropriately punish persons who commit crimes.

Fourthly, cadres determine everything. Therefore, to insure social fairness, it is first necessary to guarantee fairness within the corps of cadres. Because, only when cadres are treated fairly do they have the confidence and enthusiasm and display the initiative and creativity they need to fulfill their decisive role.

We must adopt a new view toward cadres and change the way we evaluate them. The results of work must be the measurement of the qualities and competence of cadres. We must avoid the phenomenon of placing too much emphasis upon a person's class background and personal history at one time, too much emphasis upon a person's diploma or education at another time and then placing far too much emphasis upon a person's age. We must adopt a correct and scientific view and then adopt a policy that treats cadres fairly.

Treating cadres fairly means, above everything else, assigning talented persons to the correct job, promptly promoting them and remunerating them in an appropriate manner. At the same time, we must criticize, prosecute and take appropriate disciplinary action against persons who commit crimes. We must discover and attach importance to talent and not allow any talent to be wasted. Not only must we utilize persons as we use wood, that is, "use a curved piece of wood to do the job of a curved piece, a straight piece to do the job of a straight piece," but we must also find ways to use a curved piece to do the job of a straight piece. We must attach full importance to persons who are foresighted, who possess breadth of vision and dare to think, speak out and take action, who propose good plans and dare to point out "paradoxes," because paradoxes are sometimes the truth unrecognized.

Treating cadres fairly also means that we must reexamine things that happened in the past in light of new thinking. In the past, there were some cadres whose correct thinking and good ideas were not accepted and were even ridiculed by conservative leaders. We must now restore and respect these cadres. Conversely, we must also have appropriate ways of dealing with cadres who have been "utilized incorrectly" because their leaders have a penchant for flattery.

To insure social fairness toward cadres, we must adopt new methods in cadre work. The selection of cadres cannot be based solely on reading a cadre's personal history or asking the opinions of one person or another. Nor can this only be the job of organizational cadres. Rather, this selection process must be further brought out into the open and democratized. We must combine selection tests, evaluations and other methods so that we get to know a cadre better and can more correctly assess his virtues and talents.

To revamp the corps of cadres and adopt a new approach to cadre work, we absolutely must replace some of the persons who perform cadre work. To this work we must

assign persons who think correctly, possess broad knowledge and also possess exemplary ethics. We must be determined not to allow persons who are biased, narrow-minded or conservative to work in cadre organization agencies.

Social fairness is both a basic and a contemporary issue of socialism and the country. Without social fairness there can be no socialism. There is no other way to help to guarantee social fairness than by adopting a new approach and successfully implementing socio-economic policies that are consistent with laws and sentiment.

7809

### Book Review

**Some Socio-Economic Issues in the Initial Stage**  
42100008g Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 44-48

[Book review by Pham Van Duc]

[Text] The book "The Period of Transition to Socialism in Vietnam—Some Socio-Economic Issues in the Initial Stage" consists of various research articles aimed at contributing to the renovation campaign in keeping with the spirit of the resolution of the Sixth Party Congress. Among the book's authors are scientific research cadres, instructors in theory and key leaders within a number of sectors and localities. As a result, the book touches upon urgent matters of theory and practice in our country.

Part 1 of the book, which is entitled "Socialism, the Period of Transition and the Initial Stage of the Period of Transition to Socialism in Our Country," consists mainly of two articles by Pham Nhu Cuong and Duong Phu Hiep. On the basis of a comprehensive analysis of scientific socialism (as a doctrine, a theory) and real socialism (the socialism that has been being built since the October Revolution in 1917), the authors shed light on matters of theory concerning the period of transition and the initial stage of this period in Vietnam.

The authors maintain that to understand the essence of the initial stage, it is first necessary to analyze the period of transition. According to the classical authors of Marxism-Leninism, the process of the formation and development of the communist socio-economic form consists of three stages: I. the period of transition; II. socialism; III. communism.

The period of transition to socialism in our country shares certain features in common with the other socialist countries, such as the standards for considering the period of transition to be concluded. However, it has many unique features of its own, most importantly its starting point. The difference between our country and the other socialist countries is that we are starting at a very low level of development, particularly economic

development. Consequently, the period of transition in our country must involve many different stages. At present, we are still in the initial stage.

According to the authors, the initial stage of the period of transition is a special stage of history of countries advancing to socialism without experiencing the stage of capitalist development. In this stage, there are many special tasks to perform. However, the most important of these tasks continue to be stabilizing every aspect of the socio-economic situation and laying the foundations needed to accelerate industrialization. Because our understanding of this matter has been unclear and although we are only in the initial stage of the period of transition, we have "considered socialist industrialization to virtually be the only important task and have given light attention to the other tasks. Consequently, we have concentrated a high degree of our manpower and capital on large-scale industry, which has led to mistakes and shortcomings in the structure of production and investments and caused us to fail to focus our efforts on developing agriculture and not attach appropriate importance to resolving the grain and food problem and developing the production of consumer and export goods." (pp 62-63) (The passages contained within quotation marks but not footnoted (only followed by a page number) are excerpts from the book "The Period of Transition to Socialism in Vietnam—Some Socio-Economic Issues in the Initial Stage")

However, subjectivism, voluntarism, impetuosity and the violation of laws have not only been evident in how we assess the situation, in the establishment of goals and steps to be taken and in the structuring of the economy, but also in socialist transformation, in the desire to immediately abolish the non-socialist segments of the economy. The lesson pointed out by the Sixth Party Congress is that we must always make practice our starting point, must respect and act in accordance with objective laws, must correctly understand and act in a manner consistent with the system of objective laws. On the basis of analyzing the system of laws that are exerting an impact in our country, the authors state that to find a mechanism for applying the system of objective laws in the initial stage of the period of transition in our country, "it is necessary to combine the study of laws with the study of the contradictions that arise in the formation and development of socialism" (p 71) and that "one of the important factors in the application of the system of objective laws is to promptly discover the contradictions among the different interests and find ways to resolve these contradictions." (p 72)

Part 2 deals with the economic issues of the period of transition, of the initial stage. This part makes up the major portion of the book. It consists of articles by Vo Dai, Dao Xuan Sam, Le Xuan Tung, Nguyen Huy, Huu Tho, Le Duc Thuy, Dao Van Tap and Chu Van Lam.

The authors maintain that our country's socio-economic situation since 1975 has been similar in many respects to the socio-economic situation in Russia following the



revolutionary civil war. This permits our country to study and apply Lenin's basic thinking concerning the new economic policy. However, besides similarities, our country also differs from Russia in the 1920's. This requires that we develop and create appropriate measures, not simply copy the measures taken by Russia. After analyzing Lenin's thinking concerning the new economic policy and on the basis of the experience of the world and the realities of Vietnam, the authors examine the primary economic issues faced in the initial stage of the period of transition in our country.

Most important is the issue of developing the relationships between goods and money. The authors state that, under socialism, not all economic relations are related to commodities. "Meanwhile, each economic relationship, including the relationships between goods and money that continue to exist here, is planned in nature." (p 234) Planning is the number one characteristic of the economic management mechanism, even in the initial stage of the period of transition. However, in the period of transition, compared to when socialism has been completely constructed, there is the objective base for the existence, on a broader scope and to a deeper degree, of production activities and commodity trade and, as a result, the existence of the law of value that corresponds to this system of production. We have come to recognize the relationships between goods and money in our country and must utilize them. However, for a long time, our economic policies have placed limits upon these relationships and caused serious consequences. We "have ignored a large force behind development" (p 94) and adversely affected the planned nature of the economy.

The issue facing our country today is the need to immediately take urgent measures to accelerate the development of the relationships between goods and money in all areas, including, of course, the control and regulation exercised by the state through plans. The authors present various solutions for developing these relationships and building upon the positive impact of the law of value. Within this system of tools and measures, "economic accounting is the most important, most comprehensive tool." (p 243)

The second issue is the need to utilize and transform the various segments of the economy toward socialism. At present, many different economic segments exist in an objective manner within our country. How can we develop upon the strongpoints of the socialist segments of the economy and still be able to utilize and transform the other segments of the economy toward socialism? To resolve this problem, according to the authors, it is necessary to overcome the difficulties and weaknesses of the socialist segments of the economy, beginning by taking a series of measures, from rearranging the structure of the economy and revamping the economic mechanism to strengthening material-technical bases. The private segments of the economy must be utilized and transformed. Here, some misconceptions must be corrected: first, fearing that capitalism will be restored and develop; secondly, viewing the

private economy and the proletarian state as mutually exclusive opposites; thirdly, placing sole emphasis upon the role played by the state-operated and collective segments and, as a result, exerting pressure upon the private segments, giving little attention to and discriminating against the other segments of the economy and so forth; and fourthly, reaching the conclusion, on the basis of considering the struggle between the two paths to be only a struggle between the socialist and non-socialist segments of the economy, that the more rapidly we abolish the non-socialist segments, the more quickly we will resolve the issue of "who triumphs over whom." The realities of this struggle are not this simple. In the final analysis, this struggle also depends upon whether or not the socialist segments of the economy achieve a labor productivity which is higher than that of the other segments. On the basis of this view, the proletarian state must utilize the private segments of the economy, if they serve the interests of socialism. The Sixth Party Congress considered "accelerating socialist transformation to be the constant and continuous task throughout the period of transition," not just in the initial stage. This is a new view of our party concerning the utilization and transformation of the different segments of the economy. The authors analyze the use of transitional forms, all based in principle, in transformation and management and approaches that can be taken to develop the dominant role of the state-operated economy in the transformation, management and utilization of the other segments of the economy.

The third issue is that of revamping the management mechanism, the structure of the economy and our overseas economic policy. On the basis of an analysis of the essence of the socialist economic management mechanism, the authors state that simplistic concepts of socialism and the period of transition led to bureaucratic centralism and state subsidies existing for far too long. This mechanism has violated the principles of socialist business, the main violations being: first, not correctly applying the principle of democratic centralism; secondly, not giving full attention to the relationships between goods and money and to economic efficiency; and thirdly, maintaining a cumbersome and ineffective management apparatus. As a result, we must revamp the economic management mechanism. This essentially entails correcting the simplistic concepts that exist concerning the principles of socialist business and, on this basis, boldly changing economic methods and forms to be compatible with the specific historical conditions of our country in the current stage. To do this, we must make our starting point the realities of an economy that still consists of many different segments and the need to develop commodity production in our country in the direction of socialism and on the basis of the economic management principles of Marxism-Leninism. This is a process based on dismantling bureaucratic centralism and state subsidies while granting broader independence in business to basic economic units in order to gradually develop policies on planning, prices, taxes, profits, wages, credit, banking, etc.

However, "the revamping of the economic mechanism must be closely tied to and based upon revamping the structure of the economy." (p 103) The creation of a rational economic structure is one of the fundamental elements of socialist industrialization in the initial stage. The Sixth Party Congress carried on the thinking set forth in the line on industrialization in the initial stage that was adopted by the fifth Party Congress. At the same time, it augmented and further concretized this thinking to be consistent with the actual situation.

The principal guideline set forth by the Sixth Party Congress is: restructuring the national economy in a rational way, the key to which is "restructuring production and making major adjustments to the structure of investments." The rational sector structure which we must concentrate on building is grain-food products, consumer goods and exports. These are the three key, goal-oriented programs of the strategy for stabilizing the socio-economic situation and laying the groundwork for the next stage. Thus, the essence of socialist industrialization in the initial stage is manifested in implementing the three goal-oriented programs, which includes the support role of a number of heavy industrial sectors. This is an appropriate path to be followed by a country that is making the transition to socialism from an underdeveloped economy and bypassing the stage of capitalist development. The implementation of these three programs determines the position of foremost importance occupied by agriculture and demands that agriculture be advanced one step closer to large-scale, socialist production.

According to the authors, advancing agriculture one step closer to large-scale, socialist production involves the following four tasks: 1) building and strengthening socialist production relations within agriculture; 2) accelerating the scientific-technological revolution within agriculture under an appropriate strategy; 3) carrying out the ideological and cultural revolution in the countryside; 4) integrating agriculture and industry within the scope of the district.

Of course, heavy industry as well as light industry played an important role in agriculture fulfilling its tasks in the initial stage. They are the essential prerequisites to agriculture maintaining its position of foremost importance.

Together with agriculture, the consumer goods industry plays a large role in stabilizing the economic situation and the living conditions of the people. However, agriculture and the consumer goods industry cannot be developed without heavy industry. In the initial stage, all we can do is raise the question of which heavy industrial sectors must be developed in order to have a direct impact upon stimulating the development of agriculture and the consumer goods industry, which includes the production of export goods.

The authors also touched upon another fundamental aspect of socialist industrialization, namely, carrying out the scientific-technological revolution and accumulating the capital needed to carry out socialist industrialization

in the initial stage. According to the authors, one of the important sources of capital is international economic relations. To date, however, we have primarily only taken advantage of preferential aid from the Soviet Union. In the years ahead, together with continuing to move in this direction, we must further expand mutually beneficial cooperation, first with the Soviet Union and the fraternal socialist countries and then with other countries. In our cooperation with the Soviet Union and the fraternal socialist countries, we must apply Lenin's thinking concerning the new economic policy and give special attention to concessions, joint ventures, direct investments, etc.

In part 3—Matters of Social Policy in the Period of Transition—the authors Hong Ha and Vu Khieu point out the need to study the structure of society and social policy during the period of transition in our country. They maintain that economic policy and social policy are closely and dialectically tied together. "There can be no correct social policy if it is not based on a specific level of economic development. It is impossible to implement economic policy if the attention of all society is not focused on the goals of economic policy." (p 321) Specific social policies must be compatible with the needs, aspirations and progress of each stratum, each person. In the initial period, because our society still consists of different classes and social strata, we must formulate social policy for each class and stratum that is consistent with their nature and characteristics in the process of material production.

To develop such a social policy, it is necessary to deeply research the structure of society, the backbone of which is its class structure. But one of the shortcomings of Vietnam's social sciences is the lack of a large-scale program to study the structure of society, study the thinking and aspirations of every stratum. The authors analyze the class structure during the period of transition, the movement of this class structure throughout the structure of society and the role of the party in the process of bringing about positive social change. They also emphasize the role of the social sciences, especially of sociology, in researching and proposing specific and appropriate social policies.

The last part of the book deals with specific socio-economic issues within a number of localities. On the basis of socio-economic management efforts and the realities involved in the application of the lines and policies of the party within each locality in recent years, the authors Nguyen Mai, Phan Van Khai, Hoang Minh Thang, Y Ngong Nietkdam and Nguyen Thi Ngoc Lien present a number of socio-economic issues being faced in Hanoi, Ho Chi Minh City, Quang Nam-Da Nang, Dac Lac and Dong Nai.

Generally speaking, the book deals with the urgent issues being faced in the initial stage of the period of transition to socialism in our country in a rather comprehensive manner and in the new spirit. Although it is only a first

step and although many matters need to be debated further, this book is useful reference material to those persons who are researching the period of transition in our country and the resolution of the Sixth Party Congress.

7809

## Research-Exchange of Opinions on Inflation

### The Actual State of Inflation in Our Country\*

421000084 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1, Mar 88 pp 49-53

[Article by Nguyen Van Truong, former permanent deputy director of the State Bank]

[Text] Calculating the rate of inflation and the purchasing power of the dong is a very complex matter. The law on the circulation of money cannot be applied in calculations involving our currency. This law is: "The issuance of money must be balanced with the quantity of gold (or silver) which this money represents" and its value is also not simply determined by its quantity. When assessing the rate of inflation, one person only compares the rate at which money is being issued to the rate of growth of the gross social product, national income, retail sales and the price index on the social market. Another person looks at the price index and other factors in the redistribution of national income and states that inflation in our country is rampant and in its final stage. But our country is advancing from small-scale production toward the development of commodity production and has frequently changed its economic direction, from peace time to war time, from war time back to peace time. Many installations that were destroyed have been rebuilt and our forces have been augmented by considerable forces from the outside. This situation has caused indices to meander and not correspond to one another. Moreover, because our currency cannot serve the function as the measurement of value, its purchasing power usually varies widely from the level set by the state; therefore, comparisons lack accuracy.

Although our money is part one currency and part another, the amounts originally put into circulation were very small and even these original currencies were not the symbols of money that had a price. The purchasing power of the dong has always been set by the state (on the basis of the ratio between new money and old money each time money has been exchanged and the prices of goods each time prices are adjusted). In addition, the market (which includes state-operated enterprises) also pushes prices up when there are not sufficient goods to sell (prices on the organized market have been rising faster and are higher than prices on the free market). Our state has exchanged money on many different occasions. Each time it has set the rate of exchange, the state has taken into consideration many factors of current relationships. But it also has not been free of the subjective intentions inherent in heavy subsidies by the state. For

the purpose of comparison, following the money exchange in February 1959, which is the period considered to be the most stable, the average citizen, in terms of the purchasing power of the dong and the volume of money that has been issued today, had enough money to buy 25 kilograms of rice (at that time, 30 percent of the people in the countryside and the mountains had no money to exchange). Today, the average citizen has 30 to 40 times more money than at the time of the money exchange in February 1959 but is only able to buy about the same amount of rice (back then, the people had less money in their possession). One person maintains that there is so much money in circulation today that anyone can buy up goods. It is true that when we monetarized wages and the procurement and sale of goods, the cash income of the population increased. But even this amount of money is not enough to meet the minimum needs of everyday life. Are not the prices of rice and meat in Hanoi and a number of other places high because there is much money in circulation and people are spending money to buy meat and rice at a time when many rural areas cannot sell hogs or buy rice because procurement corporations have no money? This fact (that there is too much money in circulation at a time when the state is experiencing a shortage of money) is also not entirely a phenomenon of inflation.

When we say that the currency has lost value, we mean that it has lost value compared to the value set by the state or in terms of prices on the market at one time compared to another time. To maintain the value of our currency at the level set by the state, we must at least maintain the factors which underlie the value set by the state and take the initiative in adjusting this value in a well coordinated manner in keeping with the development of the situation. In addition, attention must be given to the limiting nature of the circulation of paper money compared to the circulation of money backed by a commodity of value. Even in the United States, the value of the dollar has declined more than 10-fold, at times 20-fold, compared to gold in the space of the past 40 years (since the end of World War II). The ruble of the Soviet Union has also been reformed and exchanged three times. In our country, after regaining power, the state exercised soft control in the issuance of money throughout the 30 years of the two great wars. In the four money exchanges and the monetary reform, we devalued our currency by 5 orders of magnitude.

In light of the situation described above, it is possible to define the actual state of inflation and the guidelines for correcting it.

To begin with, in terms of its nature, inflation in our country is serious because the majority of the new money issued has been in response to expenditure needs. But, from the standpoint of the intensity of inflation and viewed against the background of prices having been adjusted and the need for money as a means of circulation, we should assess and tackle the problem of inflation through an approach that is well coordinated. From a



deeper analysis of the budget, in particular, and the financial system, in general, we see a country of some 60 million persons, a country with many natural resources and much labor in which the need to improve the standard of living is very pressing but in which only a very meager percentage of the gross social product and national income is concentrated in the state budget. On a per capita basis, the annual budget only equals about the price of 20 kilograms of rice. The budget consists of three roughly equal parts: production and the construction of material-technical bases; national defense, combat operations to defend the fatherland and the fulfillment of our international obligation; and social welfare and administration. Each part of the budget supports a strategic task and an urgent economic goal. Therefore, it is difficult to reduce one part of the budget and increase another. The immediate problem is to find every possible way to rapidly increase revenue sources and make highly efficient use of revenues. Here, we should also not be too strict in limiting budget spending to what we produce. Because, international relations today are not what they were in past years. A country such as ours is advancing to socialism without experiencing the stage of capitalist development, we must do a good job of acquiring assistance from the fraternal countries, particularly the Soviet Union, the pillar of the socialist system. And, we should not ignore the very effective tools of money and credit, which once spurred the rapid development of capitalism. Today, making efficient use of one dong of budget revenues will have a much larger impact than when we had 2 or 3 dong to spend for the same purpose, like a drop of rain that falls when the weather has been hot and dry.

The origin of the budget and the national financial system is the production of much use value and value, not only for the purpose of establishing additional sources of budget revenues, but also laying the groundwork for overcoming inflation, that is, creating many things of which money is the symbol. To rapidly increase production, raise labor productivity and accumulate much capital, it is necessary to accumulate much capital, necessary to provide the two most important factors—capital (which includes foreign currency) and technology. Recently, a former economic cadre estimated investment capital needs for the three 5-year plans from 1986 to the year 2000 at roughly 50 billion dollars. While the accuracy of this estimate is unknown, it does give us something specific to work with when researching the country's socio-economic strategy. We must do everything possible to amass and centralize capital on the basis of the existing assets of the state and the people. At the same time, we must quickly create new capital, also from technological and highly efficient production. Recently, the party and state have been concretizing the ways in which we will restructure the economy and revamp the management mechanism as well as concretizing goal-oriented programs supported by effective state policies and regulations. This will surely bring about a leap forward in this area.

As regards foreign capital, we must make every effort and employ every available means to obtain capital from overseas. We must launch a strong movement and adopt effective policies and levers to encourage large numbers of

workers to participate in the production of export goods. The investment law recently promulgated by the National Assembly will create the conditions for expanding our efforts in this field. At the same time, we must clearly establish the need to rapidly increase the sources of foreign currency revenues for the country in all overseas activities, from diplomatic and political to economic, national defense, social and mass activities. There is also a need for a correct policy toward emigres aimed at obtaining some foreign currency for the fatherland. The entire country—the central, local and basic levels—must increase its foreign currency revenues and make the most effective use possible of foreign currency sources.

Another matter of importance is that of setting the exchange rates between our currency and foreign currencies at levels that are consistent with the policy of giving priority to and encouraging the production of products and priority to those foreign currencies which serve the interests of economic development. But we must also avoid raising exchange rates to levels so excessive that they result in a sudden increase in the volume of money being issued. And, the acceleration of exports must go hand in hand with acquiring imports. For the foreseeable future, we should not seek to reduce the trade deficit and reduce what is available for domestic consumption at a time when we are fighting inflation.

Accelerating the development of production is a pressing and very basic requirement of our country's financial system and economy. While doing this, we must also take measures to combat a shortfall in budget revenues, cut expenditures and make effective use of the sources of distributed capital. If, after taking positive steps to balance the budget, we still lack capital, we should, for the next few years, solve this problem to some extent by issuing money, but only for use in production and the construction of production units which will quickly yield returns definitely not for consumption. The psychological impact of fears about a budget deficit can be lessened by turning this newly issued money over to the bank to make loans for production and construction so that it can then require that the units taking out these loans use this capital efficiently and repay their debt within a specified amount of time, thus returning this capital to the bank to the fund from which it was originally issued. However, we must simultaneously deal with the impacts of inflation through the wealth created by inflation. Under capitalism, this "profit" goes into the pockets of the exploiting classes. In our system, the state uses this "profit" to serve each working man and woman.

In credit activities, there is also inflation as a result of some of the capital in loans being used for budget expenditures or subsidies in place of the budget. Some capital is also tied up beyond the production and circulation cycle and there are not the materials and goods available which this capital represents. However, because of the special conditions of our country described above, we should not simply compare the rate of growth in capital for loans to the rate of growth of the

gross social product and conclude that the rate of credit generated inflation is serious. In actuality, credit is, to varying degrees, part of the capital formation of each economic unit and sector but, from an overall perspective, the volume in capital in loans is still less than the total value of the materials and goods in the warehouses of economic organizations. This is the collateral behind capital in the form of credit and is completely different from issuing paper money to fund budget expenditures. The basic issues in the revamping of the credit mechanism are to correctly reflect the nature of credit and make strong use of this effective tool to step up production, step up the circulation of goods and services and stimulate the process of shifting economic activities to socialist business accounting. Accelerating both the mobilization and the use of capital is positive and balanced development in credit activities. At the same time, to the extent that the state issues new money for production and construction, credit should be used to achieve high economic returns and rapidly return money to the bank, thereby limiting the harmful impact of inflation. On the other hand, if, in a particular production or circulation cycle, 100 million dong in credit are invested and 106 million dong are recovered, we should not fear inflation even if these 100 million dong were newly issued money. Instead, we must make even stronger use of the credit lever

Returning to the rate of inflation and the purchasing power of the dong, we see that, on the basis of the economy being in the process of adjustment along the lines of rationalization, synchronization, monetarization and so forth, which forms we employ and which steps we take are determined by the state on its own initiative but are also partly determined by the impact of an economy that still consists of many different segments and the spontaneous impact of the markets of neighboring countries. Consequently, the adjustment of prices, that is, setting the purchasing power of the dong, must center around a number of basic products whose prices are considered to be relatively reasonable. We must then gradually adjust the prices of related products at a corresponding rate. We absolutely must avoid across-the-board price increases and avoid establishing a new and higher price and then raising the entire price scale to a high level, thus suddenly causing more money to be put into circulation. Once the price of each product has been adjusted to a reasonable level, effective economic and strict administrative measures must be taken to insure that this new price is implemented. We also should not make our target the "four cuts" without promptly adjusting the prices of products where deemed necessary to represent a reasonable relationship between input and output. Otherwise, production will be obstructed, goods will be backlogged, and will not be able to be bought or sold thus affecting the circulation of money. Concerning the matter of setting the purchasing power of the dong, the proposal has been made that we should announce a standard dong representative of four products, which themselves are representative of prices on the market. If this dong were only compared as an index against the

volume of money in circulation, it would have less meaning than if it were compared against a price index consisting of hundreds of products announced by the Statistics General Department. There is also the opinion that this index should be even smaller (deleting paddy, wood and electrical goods from it) and consist only of gold, thus returning us to a dong backed by gold. However, this would require that we have a quantity of gold corresponding to the volume of money in circulation. This cannot be done in our country.

The prices of goods are an expression of the purchasing power of the dong and are closely related to the real income of the various strata of the people. As a result, prices must be adjusted in a well coordinated manner. Although the price levels set by the state are based on related factors, it is impossible to avoid subjective intentions. Prices should not suddenly be raised across-the-board at a time when the mood of society is troubled by the rapid devaluation of the dong. The same applies to reducing the rate of inflation. We should quantify our target and gradually reduce the rate of inflation over time. In the space of the next few 5-year plans, it will be difficult to avoid using the controlled issuance of new money to strongly develop economic activities in accordance with the resolution of the Sixth Party Congress.

The extent to which we do use the issuance of new money must be limited by two factors: first, how much money is needed in advance to meet investment capital needs, possibly in the form of credit. The amount of money issued for this purpose should be determined by the Political Bureau and the National Assembly when approving yearly and 5-year plans, which must be accompanied by policies and measures for controlling the negative impacts mentioned above. Secondly, how much money need be issued as a means of circulation corresponding to the amount by which prices are adjusted. Here, it is necessary to carefully calculate how much money needs to be issued compared to the rising prices of goods for which payment must be made in cash and the factor of the increased rate of turnover of the dong. As regards the need to develop the use of credit, rather than issuing more money, we should do all that we can to mobilize capital and utilize temporarily idle capital among the people and at agencies, enterprises, cooperatives, etc. During the agricultural season, newly issued money must be used to make loans and recovered after a short period into the production and circulation cycle. This should be done by the bank on its own initiative without waiting for approval from the state.

Thus, during each planning period, we must issue the amount of money that will be needed on a timely basis so that this money can be returned to the bank once its function has been fulfilled. This is an art, success in which depends upon the sensitivity of the bank. Right now, we must regain confidence so that agencies and enterprises deposit all their idle money in the bank, withdrawing it whenever necessary. This alone will

reduce the volume of money in circulation that is artificially tied up in the funds of agencies and units because they are afraid that if they deposit all their funds in the bank, they will be unable to withdraw their money when they need it, which is not to mention the other cumbersome procedures with which they must comply. This is also a way to accelerate the turnover of the dong through the bank center. While seriously implementing other cash management measures, it is necessary to develop non-cash methods of payment and cash secured checks, increase the use of other types of money that can be widely used... These are urgent, dynamic and effective steps aimed at reducing the volume of paper money, overcoming inflation and regulating the circulation of money.

#### Footnote

\* See: TAP CHI CONG SAN, No 10, 1987, p 70.

7809

#### The Inflation Situation in Our Country and Reducing the Rate of Inflation

42100008i Hanoi TAP CHI CONG SAN in Vietnamese No 3, Mar 88 pp 54-57

[Article by Le Thanh Long, deputy director of the Issuing Department of the State Bank]

[Text] I. The State and Causes of Inflation in Our Country

#### A. The Inflation Situation in Our Country

Our country's finance system has always operated at a deficit. An important portion of budget revenues have come from aid from foreign countries and the issuance of paper money to compensate for the shortfall. Between 1947 and 1951, budget revenues only met 20 percent of expenditure needs. From 1955 to 1964, domestic revenues met about 50 percent of expenditure needs. From 1965 to 1975, domestic revenues met roughly 40 percent of expenditure needs. Since 1976, the budget deficit has accounted for more than 50 percent of the cash deficit.

As regards money, as far back as the early years of the war of resistance against the French colonialists, the amount of money being issued and put into circulation doubled or tripled with each passing year. Whereas the average annual rate of increase of the volume in circulation from 1965 to 1975 was 18.3 percent, it was 23.6 percent from 1976 to 1980, 84.1 percent from 1981 to 1985 and has been very high since 1986.

With regard to prices, within an economy in which supply does not meet demand, the budget is unbalanced and the volume of money being put into circulation is rising, the inevitable result is higher prices. Money pushes up prices and prices cause more money to be put into circulation in an escalating spiral.

In view of the rate at which prices have risen and the rate at which money has been put into circulation over the years, we can confirm: our country is in a state of inflation. Inflation has existed since the years of the resistance against France. The rate of inflation has varied from one period to another. In some years, inflation has been concealed by consumer goods received in aid from the fraternal countries (1955-1965).

#### B. The Causes of Inflation

In our opinion, inflation in our country has its origins in the following primary causes:

1. The most important cause is the very serious budget deficit that has existed for more than 10 years. We do not yet have a complete and unified national economic policy or a policy on frugality which are based on realistic capabilities and are consistent with the initial stage of the period of transition. And, we have made mistakes in structuring the economy and in formulating economic development plans.

2. Credit has grown too rapidly and the returns from credit investments have been low.

In recent years, the state has expanded the use of credit far beyond the sources of capital that are being managed or can be mobilized and has had to use newly issued money in the extension of credit (capital in the form of newly issued money makes up roughly 20 percent of our total sources of capital) and implement a subsidized credit policy in place of the budget by doing such things as compensating for the shortfall in self-acquired liquid capital of enterprises, compensating for losses, subsidizing prices, supplying capital in advance for capital construction and providing money in advance for the Ministry of Finance to use to import goods over and above exports. The rate of growth of indebtedness in the form of credit far exceeds the limit permitted by the rate of growth of the gross social product. The use of capital in the form of credit has been very inefficient. Some two-thirds of the indebtedness related to credit is concentrated in the distribution-circulation sector (many places have even made loans to compete in procurement and sales in order to profit by the difference in prices), which has led to money not being turned over rapidly and the rate of circulation of retail goods slowing. On the other hand, because the interest rate on loans has been low and the currency has been steadily losing value, borrowers have given little attention to being frugal in the use of capital. As for the bank, when it collects payment for a debt, the real value of the principal has declined and the use of capital to subsequent production cycles must be based on issuing new money to compensate for the drop in the value of currency, thus exacerbating credit generated inflation.

3. Mistakes in how we have structured the economy have been closely tied to how we have structured exports and imports (which include trade and interest bearing loans in foreign aid).



Due to mistakes we have made in structuring the economy and being impetuous in capital construction, there has been an increase in the importation of means of production but a significant decline in the importation of consumer goods. Between 1965 and 1975, consumer goods made up more than 30 percent of our imports. In 1 year (1972) they accounted for 40.8 percent of the value of imports. From 1981 to 1986, consumer goods declined to 13-14 percent of imports and fell to 5.8 percent in 1983. The increase in the volume and value of imported means of production has reduced the sources of cash revenues from the sale of goods and increased cash budget expenditures on wages for capital construction, the hiring of manpower in capital construction...

As regards exports, the mechanism by which export and import responsibilities are divided has led to pushing up the prices of export goods and competing for export markets. Export goods have been reduced in grade and arbitrarily priced. This has caused us to lose tens of millions of dollars each year at a time when the majority of the foreign currency revenues earned through exports has had to be used in the importation of means of production for capital construction outside the state plan.

4. Serious mistakes in the various phases of comprehensive adjustment of prices, wages and money since 1981 have been the direct cause of the surge in the rate of growth of the budget deficit, the cash deficit and prices, thus making inflation serious.

As regards prices, we kept prices low for a long time and implemented a rationing system with low prices based on non-repayable aid from the fraternal countries. In 1976, when economic relations with other countries were shifted mainly to credit relations, low price levels began to have a strong impact upon the state budget. The low prices of the state became increasingly further removed from market prices and the law of value.

The comprehensive adjustment of prices and wages will inevitably exert an impact through budget revenues and expenditures, through cash revenues and expenditures and have an impact upon the circulation of money and prices in two directions: some higher prices will result in an increase in budget and cash revenues (an increase in the prices at which industrial goods are sold) while other higher prices will result in an increase in budget and cash expenditures (procurement prices).

Within our country's economy, the organized market accounts for the major portion of the social market (60 percent). The state has the exclusive authority to set the prices of goods. If the comprehensive adjustment of prices were calculated to meet the goals of dismantling state subsidies and maintaining strict price discipline, this effort would have had the effect of helping to balance the budget and maintaining a cash balance. However, we made mistakes in our calculations and in implementation. Consequently, we exacerbated the

imbalance between goods and money from the standpoint of value. The adjustment itself took a long time, thus creating a psychology of waiting. Many places then adjusted prices on their own and made the difference in prices a source of revenue. Prices on the market have been chaotic, have been rising in a "dizzying" spiral with virtually no end in sight. The rising prices of agricultural products have pulled up the prices of industrial goods, thus giving us no choice but to accept escalating prices. The currency is not a measurement of value because purchasing power has been changing on a daily basis.

The rise in prices since the first price adjustment (October 1981) has not been entirely due to the failure of supply to meet demand nor entirely due to changes on the free market. Rather, it has been due to the fact that the state has raised the prices of many products to levels higher than found on the free market, thus causing prices to rise at a higher rate on the organized market than on the free market. In particular, the price scale has increasingly left much to be desired and given us no choice but to make partial adjustments of prices, which has caused the prices of some products to rise to very high levels, thus exerting an impact upon the prices of other products and necessitating a further adjustment of prices. This situation has occurred time and time again and we still have not established a system of reasonable prices. Thus, since 1981, the rate at which prices have been rising has mainly been due to subjective causes and, the rise in prices led to the comprehensive adjustment of the prices of the goods in circulation at a time when the turnover rate of the dong remained the same. This inevitably caused the volume of money used as the means of circulation and payment to increase.

The shortfall in the state budget and the other imbalances that were also created by the new price scale were immediately reflected in budget revenues and expenditures and the extension of credit by the bank. As a result, the budget deficit and indebtedness in the form of bank credit have risen at a high rate.

As regards money, since the reunification of the country, we have exchanged money three times (twice nationwide) but kept the volume of new money at the same level as the volume of old money taken out of circulation. That is, we virtually did nothing to correct the imbalance between goods and money that existed during the years prior to these exchanges. The mistakes made in the money exchange carried out in September 1985 caused a serious decline in the purchasing power of the dong.

In summary, the mistakes made in the comprehensive adjustments of prices, wages and money since 1981 have essentially devalued the dong by a very large amount. The state has gone from taking the initiative to being on the defensive in the face of escalating prices. The purchasing power of one unit of currency has steadily declined. As a result, we cannot conclude on the basis of the current price index and the index on the volume of

money in circulation today compared to the period preceding the adjustment of prices, wages and money that inflation has entered its final stage. In my opinion, it is appropriate, as stated in the resolution of the Sixth Party Congress, to view the rate of inflation in our country as serious.

## **II. Urgent Measures Aimed at Reducing the Rate of Inflation**

In the immediate future, efforts must be focused on taking the following urgent measures in order to reduce the rate of inflation:

### **1. Dealing With the Existing Problems Concerning Prices, Wages and Money**

The price scale and nominal wages are at a very high level compared to the period preceding the September 1985 adjustment of prices and wages and are moving in a direction that is not good for the state. We cannot deal with inflation by pulling prices down. Rather, we are forced to accept high prices. And, the restructuring that is necessary to stabilize this price scale compels us to adjust prices once again on a broad scale. The second problem is whether we should deal with inflation through a one price or a two price policy and under a dynamic or a relatively stable price mechanism. In my opinion, in view of our economic conditions today, when supply does not meet demand for many primary products and the private economy controls a relatively large supply of goods, our price policy should be based first on value but not ignore the impact of supply and demand. Therefore, it is necessary to closely combine obligations, contracts and administrative management in the adjustment and management of prices.

Over the long range, we need to implement a one price mechanism. In the immediate future, however, it might still be necessary to maintain two prices for some essential goods: a negotiated price and a stable, yearly price. This stable, yearly price would apply to trade relations with farmers under two-way contracts and take into consideration wages and the supply of essential goods to wage earners.

As regards wages, on the basis of a recalculated price scale consisting of two parts, purchasing needs under the one-price mechanism and purchasing needs at stable, yearly prices, we must recalculate wages in accordance with the principle of wages being sufficient to support life (the standard of living must be compatible with current economic circumstances) and implement a uniform wage policy nationwide. We must establish fairness even among wage earners by restructuring wage and salary scales and must provide incentive to work in strenuous occupations and to scientific and technical cadres.

With regard to cash, our efforts must focus on recalculating the volume of cash needed for circulation in accordance with the laws of circulation and in accordance with the purchasing power of the dong as established by the state on its own initiative. The problem we face here is that we must make improvements in the profession of regulating the circulation of money in order to increase the turnover rate of the dong, expand the use of non-cash payments and establish a good relationship between the circulation of goods and the circulation of money.

### **2. Policies and Measures Concerning the State Budget**

Inflation has its origin mainly in the state budget deficit. Whether we achieve the goal of reducing the rate of inflation depends, to a large degree, on policies and measures regarding state budget revenues and expenditures. Therefore, we must be determined to reduce the budget deficit and achieve a balanced budget in 1989-1990 by means of the following measures:

- Intensifying the mobilization of revenues from within the economy. To begin with, the entirety of the difference in prices must be collected and included in the central budget. A number of principles and policies concerning enterprise finances and the regulations on industrial-commercial taxes and agricultural taxes must be revised. Some new taxes must be enacted. On the other hand, importance must be attached to various forms of voluntary contributions by the people under the guideline "the state and the people working together" to help increase budget revenues and resolve immediate difficulties.
- Every effort must be made to reduce expenditures with the following aims: reducing the amount of capital invested in capital construction, sharply cutting administrative costs and reducing the level of subsidization in social welfare services, public health, cultural work and education. The Council of Ministers' resolution on practicing thorough frugality must be strictly implemented.

We must revise and amend the policy on the division of state budget responsibilities in the direction of centralizing the distribution and redistribution of income in a rational manner throughout society.

### **3. Policies and Measures Concerning Bank Credit**

- We must establish financial-credit relations which abolish every form of subsidized credit used in place of the budget. We must revise the ceilings on the liquid capital of enterprises and the liquid capital taken from national income each year and allocated to enterprises.

- We must uphold the principle of basing liquid capital loans on the sources of managed and mobilized capital, making large loans when there is much capital available and small loans when there is little capital available. Sources of short-term capital must not be used for long-term loans.
- We must gradually reduce and eventually stop the use of capital in the form of newly issued money for credit activities.
- Bank activities must be shifted entirely to socialist business accounting. Each source of capital must be mobilized and managed as efficiently as possible. The use of capital must focus on supporting the three major economic programs adopted by the Sixth Party Congress.

7809

### Editorial Board Interview

**On the Occasion of the Campaign To Purify and Increase the Fighting Strength of the Party Organizations**  
42100008j Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 58-66

[Text]The Third Question: In Your Opinion, Which Specific Measures Need Be Taken To Successfully Carry Out This Campaign?

—Bui Nghe, secretary of the Chuong My District Party Committee, Ha Son Binh Province: from the actual experience of a number of places and Chuong My, we see that in order to stimulate and advance the campaign to victory, special attention must be given to the following several matters:

**1. The upper level must truly be determined, set an example and guide the lower levels in a thorough and resolute manner.**

This is the factor of foremost importance determining the success of the campaign. If for some reason (the fear of difficulties, the fear of hardships, the fear of losing time, the fear of offending others and so forth), we lack determination and do not provide close guidance, the campaign cannot be carried out. The realities of the implementation of Secretariat Directive 79 on self-criticism and criticism very clearly showed this. The standing committees of the party committees, most importantly secretaries and chairmen, must be deeply aware of the importance of this campaign and take specific and resolute measures to carry it out. At the same time, a number of key cadres must be put in charge of this campaign instead of leaving it up to the committees which assist the party committee in its work. Here, if the standing committee of the party committee or the chairman fear difficulties and hardships, if they are afraid that someone will seek revenge against them, if they lack determination and do not adopt specific measures for providing guidance, the lower levels will find

it difficult to carry out the campaign well. Consequently, this campaign demands a very high sense of party consciousness and a very high spirit of responsibility to the party and the people.

An attitude on the part of the upper level of providing resolute guidance will help the comrades on the lower levels see problems clearly, gain self-confidence and be more sincere and will also help to curb prejudices, rightism and the practice of treating certain persons with indulgence. Facts also show that at places which are weak and deficient or which "have problems," organizing work teams is very necessary and has the effect of providing positive guidance. In addition to helping basic level party committees carry out the campaign, these work teams also provide a base of support for party members and the masses on the basic level.

### 2. Truly mobilizing the masses.

The masses have "100 ears and 1,000 eyes." This time, drawing experience from previous campaigns, we have asserted that we must rely entirely upon the masses. We must encourage the masses to contribute opinions on building the party by speaking openly and speaking the truth in a responsible manner in three formats: personally expressing their thinking at conferences; meeting separately with the work team or the party committee on the upper level; and writing letters. These letters can be in the form of a complete, formal letter or an observation recorded by making a symbol on a questionnaire concerning each party member (to prevent the masses from fearing retaliation). At the four places where pilot projects have been conducted, 794 persons participated in the meetings. Some 569 persons expressed their opinions and 173 letters were written, bringing to light 155 cases and incidents and denouncing 65 party members. In addition, the masses introduced many activists outside the party to be promptly trained and accepted into the party.

The majority of the opinions offered by the masses have been certified by party committees as serious and correct. These party committees have publicly informed the masses of cases involving disciplinary action against party members and suggested that the masses wholeheartedly assist these party members in struggling and improving themselves.

In this way, we have begun to awaken among the masses an enthusiasm for building the party and have strengthened their confidence in the campaign.

### 3. Taking steady, cautious steps.

Facts have shown that reevaluating the corps of party members and purifying the party are very difficult tasks that cannot be carried out in a hurried or sweeping fashion. Rather, we must proceed in a truly steady and cautious manner. We must make thorough preparations and proceed gradually, moving from one area to the



next, not taking another step until we have completed the first step and not going on to another basic unit until we complete our work at the unit at which we are currently working. We should not seek to move ahead on a broad scale and simultaneously perform many different jobs. In addition, we must promptly gain experience as we work. At units at which there are many complex problems, it is necessary to be even more cautious. We have required that each basic unit carry out its work in three steps:

Step 1: making preparations;

Step 2: evaluating party members, classifying party members and taking action against party members who have made mistakes;

Step 3: assigning jobs to party members on the basis of the "three specifics" (participating in the activities of a specific mass organization; being in charge of a specific number of persons among the masses; and performing a number of specific jobs). Party organizations and party chapters must formulate plans for developing the party and strengthening the party committees.

When each step has been completed, we conduct a preliminary review and gain experience and make sure that requirements have been correctly met before moving on to the next step. Only in this way is it possible to prevent deception, prevent doing things in a slipshod manner, "leaving things unfinished" and "going around in circles."

#### **4. Making well coordinated use of many measures and closely tying building the party to the performance of political tasks.**

To purify the party, we must make well coordinated use of many measures. While educating party members, practicing criticism, disciplining party members and putting party member files in order within the party, administration organizations and mass organizations must also conduct inspections and strengthen their apparatus. The sectors within the internal affairs bloc must work together to urgently resolve backlogged cases. State control agencies, people's control agencies and the inspection agencies of the party must coordinate in clarifying and thoroughly resolving a number of matters, etc. The district party committee has required that district agencies and the village people's committees adopt new work methods that are effective and efficient and that they reduce the number of intermediary elements and insure that information provided is timely and accurate. A number of inappropriate policies have now been supplemented and revised, such as the decision on developing the production of export and consumer goods...

The district party committee has been supervising the various sectors in adopting plans and measures and making timely investments in every area in order to

maintain and develop production. Despite large crop losses during the recent 1987 5th-month spring season, we still ranked first in the province in the fulfillment of grain obligations.

—**Thai Ninh**, director of the Marx-Lenin Textbook Publishing House, the Department of Propaganda and Training of the Party Central Committee: it can be said that this campaign is truly a revolutionary campaign of profound significance, one which encompasses every field of social life. Over the years, our party has launched many campaigns to build the party but never one as large, far reaching or concerted as this one, never one which needs to be conducted on such a long-term basis or with such determination.

Therefore, many appropriate measures must be taken and the implementation of these measures must be well coordinated. Most decisive among these measures are reevaluating cadres and harshly dealing with cadres who are corrupt, most importantly leadership cadres who have committed mistakes. Experience has shown that results cannot be achieved if we do not proceed from the top to the bottom, from within the party to outside in society. We must build a very good and well coordinated system of core cadres from top to bottom. It is not enough to only have good core cadres on one level or in one job. There have been units in which all "core cadres" have conspired with one another to embezzle and steal. A good system of core cadres will play the decisive role in restoring discipline and order, insuring that each organization implements the resolution of the Sixth Party Congress successfully and insuring that the management provided by the state apparatus is effective.

—**Dao Nguyen Cat**, director of the political education sector, the Department of Propaganda and Training of the Party Central Committee: this is not only an ideological struggle, a struggle over personal qualities, but is also a comprehensive revolutionary campaign that is closely tied to bringing about changes in every aspect of the country's situation.

As the resolution of the Political Bureau points out, the negative phenomena we see today have their origins in positions and policies, in organizational and cadre work. Therefore, the measures we take must be comprehensive, must be closely linked to the implementation of the resolution of the Sixth Congress.

The Political Bureau resolution sets forth four jobs that must be completed by the middle of 1988 after which, on the basis of the Party Central Committee resolution on building the party, the campaign will be intensified as we prepare for the Seventh Party Congress.

First, we must continue to take resolute and thorough action in backlogged cases involving violations of party discipline and state laws and bring to light and appropriately deal with cases involving earning a living illegally out in society. The cases and incidents that have

been reported in the press and on the radio must be quickly examined and dealt with in a serious manner, with the results being publicly reported in papers and on the radio. During the past year, this approach has begun to be applauded by the masses, thus creating good conditions for continuing to bring to light new cases and incidents involving negative phenomena.

Second, we must reexamine, reevaluate and restructure the corps of leadership and management cadres on all levels and within all sectors. Through the implementation of the resolution of the Sixth Congress and the struggle against negative phenomena, cadres who are unable to meet the challenges of the renovation campaign will become clearly known. At the same time, many competent cadres who possess good personal qualities will emerge.

Third, we must inspect the quality of the corps of party members and the basic organizations of the party.

Fourth, we must reorganize party activities, put self-criticism and criticism on a regular basis and closely tie self-criticism and criticism to reviewing and summarizing work.

These four jobs are jobs that must be performed immediately and also jobs that must be performed on a routine basis in our work of building the party and strengthening the apparatus of the state administration and mass organizations.

In this campaign, we will make combined use of educational, administrative, economic, organizational and inspection measures. These are not new measures. However, they are enormously effective when combined. Educational work has the effect of raising the consciousness of party members. The inspection and management of party members, including party members who are leadership cadres, brings them under the discipline of the party and prevents every party member from assuming special rights outside the statutes of the party and laws of the state. As regards persons who have become degenerate and deviant, who earn money through illegal ways and do not voluntarily confess their crimes, the responsible agencies must conduct investigations, verify the evidence and vigorously prosecute cases.

Open and widespread public opinion will create a large and irreplaceable force in this struggle.

Together with the measures described above, endeavoring to successfully implement the resolution of the Sixth Congress and the resolutions of the Party Central Committee, thus taking one step toward stabilizing the socio-economic situation and the living standards of the people, will provide the conditions needed to curb and make inroads against negative phenomena.

The entire party, the Central Committee and the Political Bureau are determined. The people are responding. The constant factors guaranteeing the victory of the campaign now are the leadership of the various party committee echelons and the sense of responsibility of every party member and progressive citizen.

We must emphasize the importance of the leadership provided by the party committees and the heads of agencies because this is vital work related to the fighting strength of each party organization, to the political fate of each person. Party committees and agency heads must display caution and determination by adopting thorough plans, alertly evaluating the corps of party members, listening to public opinion and being fair and just in prosecution.

None of us may stand on the sidelines in the face of this challenge.

—**Nguyen Manh Can**, deputy director of the Organization Department of the Party Central Committee: facts have shown that if we do not combat negative phenomena in all fields, we cannot even talk about renovation. And, carrying out the renovation campaign well will create favorable conditions for combating negative phenomena. We must closely tie the struggle against negative phenomena to renovation.

As regards the requirements, specifics and nature of the campaign, it is my thinking that the contingent of core cadres must be clearly conscious of their responsibility, now more than ever before. The secretaries of party committees and the heads of units must personally guide the campaign at the place of which they are in charge; set good examples of self-criticism and criticism; attach importance to solving problems involved in strengthening the apparatus and reassigning cadres; resolve cases and incidents involving negative phenomena; and take the initiative in preventing negative phenomena from emerging. At the same time, they must give their attention to closely tying these efforts to the performance of the political task.

It is a requirement of the campaign that we "combat" in order to "build," and part of "building" is "combating." We must thoroughly implement the guidelines of democratization and openness. Full importance must be attached to educational work and self-criticism-criticism. These must be closely combined with investigating and prosecuting cases and incidents involving negative phenomena. We must do our best to mobilize the masses to participate in the struggle against negative phenomena. At the same time, we must make better use of public opinion in bringing to light and denouncing negative phenomena. We must prevent persons from taking revenge or seeking retaliation against others who criticize them and persons who use democracy to make false accusations, distort things and create internal dissension.

In the immediate future, our efforts must focus on doing the following well: promptly, thoroughly and vigorously prosecuting a number of cases and incidents involving negative phenomena and reporting them in the press and on the radio in order to generate confidence and build momentum for accelerating the campaign; reevaluating the contingent of core cadres and immediately replacing persons who are incompetent and do not possess the necessary personal qualities; taking many different steps to mobilize the masses to participate in the struggle against negative phenomena; and maintaining regular party activities while intensifying inspections and control work.

—**Vu Khac Sy**, chief, Office of the Inspection Commission of the Party Central Committee: to begin with, on the basis of an overall program and plan for the entire campaign, it is necessary to clearly define our focal point in each specific stage and not ambitiously seek to proceed on a broad, sweeping scale. Second, each level and sector must reassess the situation and classify the agencies and units under its management to determine which places can proceed on their own, which require assistance and where the functional agencies must be utilized. Comrades who are in charge of their units must be assigned the task of providing guidance and conducting inspections. Third, some high ranking cadres on the central and local levels concerning whom there are questions that need to be examined must be investigated and prosecuted in an urgent, resolute and just manner, with the results being made widely known to the public. This is the fervent aspiration of large numbers of cadres and party members, of the working masses... Fourth, it is necessary to mobilize a number of loyal, competent and trusted cadres to routinely monitor and inspect the progress of the campaign in the various departments and sectors, in the provinces and municipalities and within the armed forces. These cadres must promptly bring to light, praise and gain experience from places that conduct the campaign well. They must then take steps to apply the experiences of these places on a broad scale.

—**Nguyen Thi Ngoc Khanh**, assistant chief justice of the Supreme People's Court: from the perspective of the work of the court, I think that the campaign should focus on the following several matters of central importance:

We must wage a determined struggle against crimes involving the misappropriation of socialist property, which cause large losses to the state and collectives and more than a few of which are perpetrated by corrupt cadres, party members and personnel within the party organization and state apparatus.

We must launch a well aimed and strong attack against speculators, black marketeers and persons who sell contraband, make fake goods, engage in illegal businesses, accept bribes or intimidate or suppress the masses.

We must quickly expose and harshly punish counter-revolutionaries, hoodlums and gangsters as well as murderers, robbers and thieves, all of whom harm the life, dignity and property of the people.

Sentences must be swiftly and thoroughly enforced as soon as they become effective with the aims of making trial work more effective and maintaining law and order.

Today, the campaign is being carried out nationwide and has the sympathy of the majority of cadres, party members and the people and the support of the press and mass media. I am confident that if we are highly determined, if we provide resolute and positive guidance, if we do not "leave things unfinished" or only carry out the campaign on the lower level or out in society as we did before, the campaign will surely yield good results.

The court sector will join with the Ministry of Justice in guiding and seriously conducting the campaign in order to make the sector pure, solid and strong. The prosecution of serious cases can be publicized and used as a lesson to educate the public.

Life tells us that only by "making the people the base," that only on the basis of "everyone being equal in the eyes of the law" and putting "social fairness" into practice can the campaign yield the desired results, can we give impetus to the cause of renovation.

—**Nguyen Tien Dam**, high ranking procurator, the Supreme People's Organ of Control: to carry out this campaign well, it is of utmost importance that we maintain strict discipline and strictly enforce the law. The law is compulsory and binding upon everyone. Anyone who violates the law must be prosecuted. There are some persons who think that criminal law only applies to the people, that cadres, particularly cadres who hold public positions, are not governed by the law. This incorrect view has led to doing things in a careless, sloppy fashion, to a lack of organization and discipline and to intentional violations of state regulations, policies and laws. This is one of the causes of crimes and other violations of the law.

Therefore, strict and uniform enforcement of the law is a positive and effective measures in combating negative phenomena in the situation we face today. Leaders must be exemplary, must take the lead in complying with the law. Experience has shown that negative phenomena, degeneration and deviancy usually stem from contempt for the law, from not seriously complying with the law.

One unwholesome phenomenon that has persisted for many years is the lack of equality in the enforcement of the law. The working people are compelled to strictly comply with the law, to fulfill obligations required under the law, such as the labor obligation and the obligation to defend the fatherland. On the other hand, more than a few persons who hold public position and authority seek positions for their children so that their children can



evade the obligations of a citizen or they find ways to send their children overseas to study or work, even though their children are not eligible. In matters involving the rights of the citizen guaranteed under the law, these persons reduce and limit these rights, even grossly violate democratic freedoms, the inviolability of the person and the privacy of the home and correspondence of the citizen.

One very serious ill that has been angrily denounced by the masses is that when cadres who hold public position and authority, including their children and relatives, commit a crime, they are protected and their "umbrella" finds ways to impede, obstruct and create problems for investigative, prosecutorial and trial agencies. Demands are made that these persons not be prosecuted or brought to trial, but that the matter be handled "internally" in a way which "conforms with reason and sentiment." When legal agencies are determined to proceed with prosecution, the persons making these demands do everything they can to intervene and request leniency or a pardon. When a working person happens to commit a crime, there are calls for harsh punishment but when a degenerate or deviant element commits the very same crime, his agency intervenes to obtain leniency. Because of this protection, this "umbrella," criminals do not see that they have committed crimes, refuse to be reeducated and continue down the path to more serious crimes. Dealing with crimes in this manner does not educate the criminal nor does it serve as a common lesson to everyone. Thus, it is clear that there is no fairness, or no equality, in the enforcement of the law.

At present, negative phenomena within the corps of cadres and party members have become a major obstacle in the party fulfilling its leadership role. These phenomena have not only caused socialist property to be lost, eroded the new ethical values, corrupted many cadres and party members and weakened the fighting strength of party organizations and the strength of the state apparatus, but also pose the greater danger of reducing the confidence that the masses have in the party, in the fine nature of our system and seriously affecting the relationship between the party and state and the people.

Recently, in keeping with the party's policy of using the strength of the socialist system of law combined with the strength of public opinion to struggle against negative phenomena, the mass media have exposed, denounced and named individuals, agencies and organizations that have acted in violation of positions, lines, policies and the laws of the state.

As for themselves, legal agencies have joined efforts with the mass media, as a result of which prosecution and trial proceedings have been brought closer to the people and the policy "the people know, the people discuss, the people act, the people inspect" has been implemented. Legal agencies have ascertained and acted upon information concerning crimes more fully and promptly, thus expediting cases. There has also been relatively close

coordination among public security agencies, organs of control, the courts, judicial agencies, control agencies and social organizations. As a result, there has been swifter action in important cases and verdicts, particularly major economic cases, especially those mentioned in N.V.L.'s column "Things That Must Be Done Immediately" and other serious cases that have gained the attention of the press, thus serving as a strong deterrent and starting to regenerate confidence on the part of the masses in the agencies which uphold the law, in the leadership of the party and state.

Therefore, I think that making effective use of the power of legal agencies will actively contribute to the victory of this campaign and the successful implementation of the resolution of the Sixth Party Congress.

—**Vu Xuan Can**, member of the Secretariat of the Vietnam Confederation of Trade Unions: this is a campaign of a profound revolutionary nature. Therefore, all the people must be mobilized to participate in it. The essence of the struggle against negative phenomena is to guarantee that the leadership of the party and the management provided by the state are compatible with the sentiments of the people. Therefore, this is the best opportunity that we have ever had for the mass organizations to fulfill their roles and functions. I think that, to begin with, the cadres and members of the mass organizations must consider fully and actively participating in the campaign to be in their interest, to be their obligation. We must correct the thinking of seeking perfection and overcome the fear of difficulties and hardships.

Second, the mass organizations must intensify their efforts to improve the contents and forms of their activities, educate the masses in self-criticism and criticism, prevent wrongdoing and resolutely struggle against and take strict disciplinary action in cases involving violations, regardless of who commits them, regardless of the positions these violators hold.

Third, the mass organizations must always closely coordinate with one another under the leadership of the party, regularly organize people's inspections, workers' inspections and so forth and supply accurate information to those agencies whose function it is to enforce the law, thereby helping the party and state to purge degenerate and deviant elements.

Lastly, along with struggling to expel corrupt elements, we must always work to discover new factors, thereby helping to augment the contingent of core leadership cadres.

In view of its role as the large mass organization of the working class, the trade union has the responsibility of educating manual workers and civil servants so that they fully understand the importance of the campaign. The Ninth Conference of the Executive Committee of the Confederation of Trade Unions called upon all levels of the trade union, especially the basic level, to adopt

practical and specific educational themes and measures that are compatible with each target audience. They must arrange for manual workers and civil servants to discuss negative phenomena and relate them to their lives, thus overcoming the attitude of being indifferent toward and closing their eyes to the negative phenomena within their ranks and in society. We must overcome the thinking of being afraid to engage in struggle, afraid of retaliation. I think that, together with this and in order to do this well, attention must be given to properly satisfying the interests of the worker. This is also a way to propel the campaign to victory.

In addition to intensifying the inspection and control work of the party and state agencies, the trade unions on the various levels must continue to strengthen and intensify the activities of the worker inspection units. Efforts must focus first on regularly inspecting the economic activities of state agencies, especially in the field of distribution-circulation and the enforcement of regulations and policies that apply to the worker. In this way, we can promptly expose negative phenomena and contribute to the vigorous prosecution of negative phenomena.

In advance of the Sixth Trade Union Congress, all levels of the trade union must reexamine and reevaluate their corps of cadres and resolutely replace persons who are incompetent and do not possess the necessary personal qualities. They must revamp the contents and modes of their activities in the direction of "everything for the basic level" with the aim of rallying large forces for this struggle and successfully implementing the resolution of the Sixth Party Congress.

—**Phan Hien**, vice minister of information: today, combating negative phenomena is a very arduous and complex struggle. For a long time, everything revolved around combat, around life and death, back when the revolution demanded that we make a choice. Now, everything revolves around goods, money, power, position... Appealing to and compelling cadres and party members to always set examples, to maintain and enhance their personal qualities are indispensable, but not sufficient. Prosecution under the Code of Discipline and the law is a necessary measure, but also not sufficient. One major problem is that the state has money, goods and materials but the wealth in the hands of the state keeps "flowing" to the outside, where it becomes the property of private individuals, with the most contemptible of these thieves being persons who bear the title of revolutionary party member or cadre. The problem we face is that we must retain possession of this wealth, must learn economic management. This is nothing new. Seven decades ago, V.I. Lenin told Russian communists that they had to learn management, including the management methods of the bourgeoisie. Practiced very well, it will surely limit the losses of everything from materials to personal qualities. Therefore, in conjunction with educating our cadres and party members and enhancing

their revolutionary qualities, we must give them practical skills, the skills needed to produce and retain wealth in order to move ahead.

—**Nguyen Tien Cang**, secretary of the Nguyen Du Ward Party Committee, Hanoi: there are very many measures that can be taken to combat negative phenomena. However, in my opinion, there are two measures which are basic:

One is openness. Negative phenomena are the darkness, openness is the light. Openness is the prerequisite to our shifting from the defensive to taking the initiative. Moreover, it is a very heavy blow to the place where negative powers are the most vulnerable. Only through openness is it possible to mobilize the broad masses to fight negative phenomena. Openness is also part "combating" and part "building." Therefore, openness is the most effective way to combat negative phenomena. And, of course, to practice openness, we must possess great courage.

The other is replacing cadres. Every movement has its cadres. We cannot use persons who are rigidly individualistic to build socialism. We also cannot use persons who refuse to change their old and incorrect perceptions to build socialism. But how should we go about replacing cadres? This is a question of utmost importance, a question related to the destiny of our party. Recently, we gave light attention to the ideological front and relaxed our management, allowing many cadres and party members to degenerate and become deviant. This mistake, it can be said, led to the gradual "abolition of the right wing" of our party. But if we are impetuous now and seek to expel members en masse, we will "abolish the left wing" of our party. Therefore, renovation as it related to cadres mainly entails changing the thinking of cadres to be consistent with the requirements of the revolution. Anyone who does not meet this challenge must be immediately replaced. And, of course, anyone who commits a mistake so serious that it cannot be tolerated by the masses must also be replaced, replaced without hesitation, regardless of their position. Anyone who commits a crime must be prosecuted.

—**Huu Tho**, member of the Editorial Board of NHAN DAN Newspaper: gaining experience from previous campaigns, it is necessary to conduct this campaign in a truly constant and more effective manner in order to generate confidence. With confidence, we have everything. Whatever we do, we must do thoroughly. No matter whom we affect, we must "act with the permission of the public."

Openness is a strength in struggle that was very limited in previous campaigns. Acting with pure motives and on the basis of accurate information, we must continue to practice greater openness. Support from above is very necessary, particularly in special cases. But we must act within the organization, act in accordance with the laws of the movement of an organization in order to achieve high results and universality.

Recently, the results achieved by the press have been clear. It is necessary to confirm and build upon these results. Journalists, in addition to bravery and loyalty, must also possess scientific methods. Every reporter and editor, in addition to professional responsibility and conscience, must also be responsible as a citizen. A lack of internal unity exists at a rather large number of places. Therefore, it is imperative that we not use our pens to take the side of one "camp" or another, rather, we must take the side of the truth. This is truly not easy.

I am confident that, with this spirit, this method and this corps, the struggle against negative phenomena, a struggle to help implement the resolution of the Sixth Party Congress well, will surely win victory.

7809

## Round Table Conference

### The Renewal of Our Literature and the Arts Within the Party's Cause of Renovation

42100008k Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 67-69

[Article by P.V., reporter]

[Text] On 9 March 1988, at the office of the Editorial Board of TAP CHI CONG SAN, a round table conference called "The Renewal of Our Literature and the Arts Within the Party's Cause of Renovation" was held. Participating in the conference were comrades from the Department of Culture, Literature and Art of the Central Committee, the Writers' Association, the various art associations, the agencies of the literary and art press and colleges as well as writers, theorists and critics: Tran Do, Hoang Trung Thong, Bui Hien, Te Hanh, Nguyen Van Hanh, Duong Vien, Xuan Trinh, Hong Chuong, Phong Le, Nguyen Thi Ngoc Tu, Thieu Mai, Ha Minh Duc, Phan Cu De, Phuong Luu, Bui Cong Hung, Ho Si Vinh, Tu Son, Le Luu, Nguyen Van Luu... Also participating in the conference were Ha Xuan Truong, editor-in-chief of TAP CHI CONG SAN, and the Editorial Board and cadres of the Culture and Education Department of TAP CHI CONG SAN.

In 1 day of serious work and forthright, sincere debate in a constructive spirit, the conference virtually met the requirements set for it. Below, we report the general results that were achieved. The entire proceedings of this round table conference will be presented in the April and May 1988 issues of TAP CHI CONG SAN.

#### 1. The Questions Raised Were to the Point:

##### 1. Why the need to renovate?

—Because the task of the revolution has changed, from war time to peace time construction.

—Because the world situation has reached a turning point as a result of the scientific-technological revolution, which poses a new challenge to the existence and development of socialism.

—Because it is necessary to correct mistakes in perceptions and in practice in socialist transformation and socialist construction, in general, as well as in literature and art, in particular.

##### 2. What does renovation require?

—To begin with, it is necessary to correctly evaluate the process of development of our country's literature and art today and in years past.

—A correct evaluation requires that we adopt an historical perspective and, on the basis of fundamental views and the demands of today, shed additional light on the judgments we have made in order to move ahead. The historical perspective must be adopted to analyze how well literature and art in past years understood the dialectic between the objective and the subjective, understood dialectical materialism and historical materialism, the methodology of Marxism-Leninism.

Without a correct analysis and a scientific explanation of the achievements as well as the mistakes of yesterday, it is impossible to adopt a new approach, impossible to correctly understand today, as a result of which we lack the correct starting point and guidelines for adopting a new approach.

##### 3. What must we renovate?

Primarily, we must renovate the leadership of the party, change outdated views, change infantile and mistaken views and bring about changes in writers and artists themselves.

—Much is involved in renovating the leadership provided by the party, from viewpoints, the management mechanism and the policies on culture, literature and art to the mode of guidance.

—Writers and artists must undergo personal renovation and participate in the process of renovation of the party and society, most importantly with regard to their world view and philosophy of life. Therefore, every writer and artist must be a militant struggling for renovation. The sense of responsibility and the talents of the writer and artist will determine how much or little he contributes to the cause of renovation.

—We must meet the new literary and art needs of the masses while molding their aesthetic tastes.

4. Literature and art are a part of the party's overall cause. Therefore, literature and art are under the leadership of the party because the line and objectives of the



party are necessities. If this is considered a relationship between literature-art and politics, it is clear, therefore, that literature and art have the following tasks:

- To stimulate the processes of democratization and renovation of the party and society;
- To closely support the two strategic tasks of the party and the nation: building socialism and defending the fatherland;
- To mold the sentiments and souls of the people and disseminate and cultivate beauty among the people.

These are the political tasks of literature and art in the stage of the socialist revolution in our country.

5. The relationship between criticizing things that are negative and bad in society and bringing to light and supporting things that are positive—from the factors to the actual creation of the new—is a dialectical relationship. The critical nature of socialist realist literature and art is fertile ground for the emergence and development of the new. In this light, criticism is positive but the ultimate objective of socialist realist literature and art is to create the new, to stimulate the development of the new. Therefore, importance must be attached to presenting positive central characters, characters who are the embodiment of renovation.

6. Renovation begins with the individual but is not something that can be achieved by only one person or a number of persons. Rather, it is the work of the entire circle, work closely tied to the cause of renovation being carried out by the entire party and all the people. In the spirit of daring to squarely face the truth, we must engage in a democratic debate of the various issues, a debate marked by mutual respect, by listening to one another. In other words, instead of turning our backs on one another, instead of opposing and being envious of one another, we must be loyal, brave and scientific and adopt a new approach together.

## II. The Matters That We Need To Continue To Clarify, the Jobs That Must Be Defined in Detail:

Some of these matters lie within the scope of the function of the journal, others within the scope of literary and art circles, of the agencies which manage literature and art.

- We must evaluate the situation surrounding literature and art from 1975 to 1986 and the literature and art situation in 1987 in detail. The Fourth Plenum of the Sixth Party Central Committee observed: "The new advances that have been made are only a first step and the new factors that have emerged are still partial in nature and not truly stable. The socio-economic situation continues to change for the worse." Are literature and art in the same situation? Are there any features of their situation which are special? Do not genuine literature and art face a very large challenge:

dealing with the trend toward the "commercialization of literature and art?" How should literature and art build upon their uniqueness and relative independence in order to have an impact upon the current socio-economic situation and support the cause or renovation?

- How can we guarantee creative freedom to writers and artists when there is disagreement between writers and artists and the line of the party? Is it "both right or both wrong" or "the party is wrong and I am right?" The character and sense of responsibility of the individual writer and artist must be those of a member of an organization, of the community.
- Evaluating the line and leadership of the party in literature and art, both where they have been correct and where they have been wrong; large mistakes and small mistakes; and the individual in the various periods, especially since 1975.
- The relationship between the freedom of choice of the masses in the appreciation of art and the leadership of the party and the role of teaching aesthetics in accordance with the line of the party.

And other matters related to the diversity and the multifaceted nature of literature and art.

7809

## Ideological Life

### 'A Prison Sentence...and a Swollen Cheek'

42100008/ Hanoi TAP CHI CONG SAN in Vietnamese  
No 3, Mar 88 pp 70-73

[Article by Nhi Le]

[Text] Whether the laws of the country are strictly enforced or anarchy prevails is determined by whether or not the agencies of the law resolutely defend the law, uncover crimes, are determined to bring crimes to trial and prosecute the right persons for the right crimes. To an even greater extent, whether the people are calm or agitated is determined by whether or not these agencies have the strength to defend an innocent citizen who is unjustly arrested and prosecuted and whether or not they harshly punish persons who are irresponsible and protect criminals.

But how well are the persons who are paid by the people and who undertake these weighty responsibilities on behalf of the people giving their attention to and doing the above?

Some time ago, we witnessed numerous cases of persons being retaliated against, being fired from their jobs, being unjustly accused, arrested and imprisoned because they dared to struggle, because they sought a good life. And countless working people were unjustly detained

and their rights so trampled upon... that when intervention in their case did come, when the injustice against them was reversed and they regained control of their fate, only 10 to 20 percent of their former selves remained.

Very regrettably, the situation is not much better today. Public opinion and large numbers of law abiding persons are upset and indignant over countless senseless injustices, senseless to the point of being painful, being unimaginable. Are these things really happening today?

There is the case of the conviction and imprisonment of Dam Dinh Vinh—an honest man who courageously struggled against negative phenomena for many years—who was unjustly accused, branded, in an act of retaliation, as “a dangerous person who must be removed from society” and sentenced to “18 months in prison,” right in the capital of executive and judicial agencies—Hanoi.

There is the case of prisoner Nguyen Sy Ly from the Tam Hop Cooperative in Quy Ho District, Nghe Tinh Province, which recently enraged the conscience of each citizen of the country.

There is the “laugh to the point of tears” case of a “dead person coming back to life” to redress the injustice that had been done and come to the aid of the “murderer,” as a consequence of which Nguyen Van Nhlen was promptly “cleared of all charges” after spending more than 600 days in prison in Hau Giang.

Then there is the case of Nguyen Hoai An who, after he had been freed and after writing his “final protest against the injustice I have suffered,” had already spent 410 days in prison; the case of the three children who were arrested and jailed without reason in Thanh Hoa... are these not injustices? The case of the nine completely innocent youths who were falsely accused, imprisoned in a dark cell, deprived of food, threatened, forced to confess, beaten and held for nearly 2 years in Hau Giang is another such case.

Everyone is familiar with all these cases.

And are there not countless other cases, countless other similarly threatened fates, particularly among the “less fortunate,” whose prayers have gone unanswered, whose appeals have fallen upon deaf ears, that have not been brought to light?

Why am I constantly haunted by the stories of these prisoners? Is it because they are the most glaring examples of some of the bitter fates that await man, on the basis of and through which we gain an understanding of the fairness, compassion, love and reason in life for which we must struggle and which we must uphold? And, does this not provide us with an opportunity to reflect further upon the agencies of the law (public security agencies, organs of control and the courts—even the court of conscience), about which I have always thought:

at these places, a scientific and strict approach, fairness and humanitarianism would prevail and shine above everything else and would be difficult to obscure and undermine if the persons there were constantly devoted to protecting, for the sake of the citizen, our most precious asset: man.

Everyone understands that the law reflects the lines and policies of the party. In other words, the lines and policies of the party are codified and become mandatory, become binding upon all. Anyone who does not comply is prosecuted. But why is it that some persons in positions of authority view this as meaning only compliance by the people and that they, themselves, have the right to act outside the bounds of the law? Moreover, why do they use their power to indiscriminately imprison citizens in such a brazen and unreasonable manner without any cause?

I read each point in the verdicts handed down to the nine youths in Hau Giang: from 18 months to 4 years in prison. The person who received the stiffest sentence actually spent nearly 2 years in prison. They were grilled and subjected to corporal punishment. Public security personnel took turns interrogating each youth to coerce a confession, beating and detaining them for many days in a dark cell. Up until the day that all charges against them were dropped, the requests by the families of these victims for compensation for the harm caused to their honor and dignity and the material losses they suffered had been rejected by the court. Rumor has it that the leaders involved in this case were reviewed but the people know full well that “birds of a feather flock together.”

I have also read the verdict sentencing Nguyen Sy Ly to 17 years in prison and Decision Number 1256/HS dated 21-12-1987 of the Supreme People's Court signed by the chief justice. Everyone knows that Ly had a prior debt to pay. But should not a session of some court be held to try the irresponsible and dishonest official who employed every possible kind of pressure to see to it that Ly spends 5 years in prison?

I also read the verdict handed down to Nguyen Van Nhlen sentencing him to 12 years in prison for “murdering his sister-in-law” and learned that, after being severely beaten, he confessed to the “crime” and gave a statement using the very same words that had been put into his mouth by the public security investigator. His wife was also instructed by the investigator to relate the details of the crime as he saw them. With that, the matter became much more serious. Irresponsibility on the part of the provincial people's organ of control and cursory treatment of the case by the provincial people's court led to a swift verdict: 12 years in prison. If he “murdered” someone, why was he only given 12 years in prison? But “the heavens saved Nhlen,” which is what neighbors said when it was discovered that his sister-in-law was alive and raising ducks in Rong Gieng. But what if this “dead person” did not come back to life until 10 years

later, would Nhien still be alive to see the injustice imposed upon his fate by some worthless persons be redressed? If the law is not pure, will not citizens resign themselves to the fate of being "saved" or "punished" by God, the fate of "tragedy never being unexpected"? If a person who holds power is not pure of spirit when it comes to protecting Man, will he not, as Nguyen Tien Dien said less than 180 years ago, "be treated as he treats others?"

Recently, I learned about but did not understand why, when forced to read a prepared "confession" denouncing Dang Thi Hong Van, the director of the Hau Giang Beverage Plant and Wine, Beer and Soft Drink Federated Enterprise Number 2, two of the four cadres of the plant, before gaining their freedom, cried as they read. They were crying because an ordinary economic case had become the subject of meetings, news films, photographs and tape recordings as though it were an important political case, all to show the correctness, the strictness and the humanism of those who uphold the law.

These cases are considered closed but the people are still not satisfied. It is not easy to redress injustices.

It is truly strange that even today innocent persons are being arrested and detained and their conscience and dignity are being trampled upon without ever giving any thought to how painful this all is to the victims of injustice!

When an innocent person is arrested or a person is arrested for the wrong crime, their reputation and dignity and sometimes their entire life are ruined. Illegally detaining a person causes suffering, worry and aggravation not only to the person being detained, but also to his family, thus causing a serious decline in their confidence in the fairness of the law. I once heard a guideline: "When in doubt, do not arrest or detain someone, but do not allow a criminal to go free." This is the humanism of socialist law. To do otherwise is irresponsible, is inhumanitarian, is criminal.

Thus, why are those who have brought tragedy upon these many innocent persons still going around scot-free, still arrogantly living outside the law, still holding one position or another? Public opinion reports that the legal cadres in Hau Giang who were involved in the arrest, indictment and trial of Nhien remain unscathed by the indignation of the people, even though their actions violated Article 231 on the crime of investigating an innocent person for criminal culpability, Article 232 on the crime of rendering an illegal verdict or decision, Article 234 on corporal punishment and Article 235 on the crime of coercing a confession. And the same applies to the persons involved in the cases of Nguyen Sy Ly, etc.

When persons take advantage of and illegally use their authority to intentionally violate the law without being prosecuted, who can dare guarantee that similar cases will not occur in the future in Hanoi, in Nghe Tinh, in

Thanh Hoa, in Hau Giang and many other places? And who can estimate how much suffering will be caused and the disastrous consequences of these actions when there are very many persons in society with one degree of authority or another who are arresting, falsely accusing and trampling upon citizens and persons of conscience, concealing one another's crimes and rendering the law ineffective?

When the truth is distorted or concealed, opportunists raise their heads and charge forth.

When justice is manipulated and innocent persons are unjustly accused, tyrants have their way.

When the law is monopolized and no longer strong enough to defend the people, society falls into disorder, humanism is crushed and principles are abandoned.

It has come time to issue the stern warning that our law is being seriously violated. This is not a superficial phenomenon, but has become a dangerous disease.

And, thus, when talking about the law, we are not only talking about fairness, uniformity, justice and humanism, but also about putting the law in the hands of persons who possess all the necessary virtues and talents, who, as Uncle Ho taught, are "cautious, unbiased, strict but fair and humble." Because, only in this way can the discipline of socialism be maintained, can democracy be respected, can the socialist system of law be strengthened and be worthy of being the tool used by the people to exercise their right to be the masters, to promptly and harshly punish criminals and to protect those who want to live a quiet life and who desire to do better work for the sake of the country, for the sake of everyone.

We are sweeping up the trash and beautifying society—our common home. But do we have the right to forget the lesson for which we paid a high price when many public security agencies, organs of control and courts at these and many other places, either because of inexperience or irresponsibility, because of not taking the initiative or being pressured from "above" or the "outside," violate the law and close their eyes to violations of the law as they have in the recent past? Should we speak out loudly to help eradicate these ills with the aim of upholding the law and protecting Man or feign ignorance, give up and hope that things will be all right?

What we should do is remember and struggle in order to help stop and bring to light persons who, because they are irresponsible and unethical or sometimes only lack knowledge of the law, intentionally or unintentionally arrest and trample upon law abiding citizens. Everyone must bear responsibility for his mistakes. We must all live in accordance with the law.



In executive and legal work, the lower level must absolutely obey the upper level. Anyone who, for any illegitimate reason, intentionally violates the law must be harshly punished. It is not rare for "the upper level to move in one direction, the lower in another," for "the laws of the king to stop at the edge of the village," thus causing countless persons to live in misery and causing families to break up.

We should remember and struggle in order to contribute to public work, "participate in increasingly large numbers, join together in writing about and bringing to light the things spoken about by N.V.L. because no one talent can know everything or know every detail" and resolutely punish criminals, regardless of who they are. There is no separate law for any person or region. Lenin called this "barbaric."

The persons who represent the people in upholding the law must study the law and administrative management in order to actively contribute to the strict enforcement of the law.

Let us all join together to build and defend the fatherland in democracy and civilization, in the fairness and humanism of socialist law.

7809

## **The World, Issues and Events**

### **Understanding the Significance and Basis of Creativity-Dynamism in the Peaceful Foreign Policy of the Soviet Union**

42100008m Hanoi TAP CHI CONG SAN in  
Vietnamese No 3, Mar 88 p 74-77

[Article by An Manh Toan; article not translated]

### **From the Books and Newspapers of the Fraternal Countries**

#### **Cultural Leadership Within the Context of Restructuring**

42100008m Hanoi TAP CHI CONG SAN in  
Vietnamese No 3, Mar 88 pp 78-82

[Summary by Ngoc Khanh; article not translated]

#### **Restructuring and the Responsibility of Writers**

42100008m Hanoi TAP CHI CONG SAN in  
Vietnamese No 3, Mar 88 pp 83-88, 77

[Summary by Ho Bat Khuat; article not translated]

**END OF**

**FICHE**

**DATE FILMED**

17 Oct. 1988

