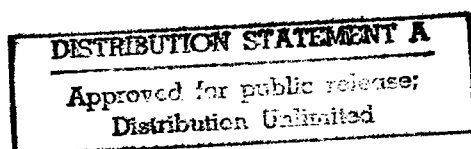


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East Asia

Southeast Asia
Vietnam: TAP CHI CONG SAN
No 6, June 1991

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East Asia

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Vietnam: TAP CHI CONG SAN

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19 November 1991

[This report is a translation of the table of contents and selected articles from the monthly theoretical and political journal of the Vietnam Communist Party published in Hanoi. Notations in the table of contents indicate articles previously published or not translated.]

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19 November 1991

Editorial

1

The Congress of Confidence

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 2-4

[Article published in FBIS-EAS-91-133,
11 Jul 91 pp 56-59]

The Party Problem

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 5-9

[Article by Ha Xuan Truong; published in FBIS-
EAS-91-116, 17 Jun 91 pp 68-70]

**The Struggle To Unify the Revolutionary Line
During the Time of the Founding of the Party**

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 10-13

[Article by Nguyen Tri Thu; not translated]

Marxism and the Present Age

923E0001A Hanoi TAP CHI CONG SAN
in Vietnamese No 6, Jun 91 pp 14-16

[Article by Vu Hien]

[Text] Ever since it was formed and developed, Marxism has had to confront many attacks by ideological foes of various types. During the past two years, attacks have been launched against Marxism in many forums and in many newspapers and journals in the West, Eastern Europe, the Soviet Union, and even, in several cases, in Vietnam. This began with "cautious" criticisms of a number of points and shortcomings of Marxism and then advanced to criticizing the basic principles of Marxism, saying that Marxist-Leninist theory belongs to the past and is no longer relevant to the present age. Finally, there was a general rejection of Marxism.

Tarnishing the image of socialism and criticizing Marxism has become "fashionable." The number of people participating in this is increasing. Besides those who have always been ideological enemies of Marxism and those in the international workers' movement who have anti-Marxist tendencies, what is surprising is that people who until just recently considered themselves to be loyal Marxists are now savagely attacking Marx and blaming Marxism for many problems. Even people who don't understand Marxism and who have never studied Marxist theory have begun criticizing Marx.

What is the reason for this? Is Marxism outdated?

It's true that Marxism is now facing a serious challenge. Reality has moved in ways contrary to our traditional viewpoints and contrary to what was predicted by Marx. However, there are reasons for that, and that can be explained. There are various problems, reasons that have had a direct effect, and deeper factors having to do with the nature of Marxism.

Direct reasons that have given people an opportunity to reject Marxism are the phenomena that have arisen recently in modern capitalism and socialism. On one hand, capitalism, which Marx said would wither away, is still not dead and shows no signs of dying. On the other hand, socialism, which has come into being and which seems to be following Marxist-Leninist principles, has

been ineffective. It is facing a serious crisis or has been toppled in many countries in Eastern Europe.

First of all, we will examine modern capitalism. Marx said that in the process of developing, capitalism will reach a point at which the conflict between the production forces and the production relationships will become acute, and the shell of capitalist relationships will break. However, Marx affirmed that in order to reach that point, capitalism must develop to its peak. But it has not yet reached its peak. Also, Marx never predicted when capitalism would end.

Another point that needs to be mentioned is that when studying capitalism in order to reach the above conclusions, Marx dealt with abstractions and regarded capitalist production formulas as a unified whole. The appearance and development of socialism has resulted in capitalism losing its supreme position and, because of this, capitalism has not been able to develop spontaneously on its own but has had to make adjustments. In making suitable adjustments, capitalism has successfully used the achievements of the scientific and technical revolution. In particular, it has made effective use of the socialist solutions. Thus, capitalism has temporarily eased the conflicts within capitalism. But by doing this, once again capitalism has created the preconditions and factors of new production formulas, formed the foundation for new technology, and built an infrastructure on which socialism will be built. Those preconditions include: regulation of production to a certain degree throughout society; redistribution mechanisms outside the national income; the insurance system and social welfare funds; the participation of the laborers in management; and the expansion of democracy among all strata of people. Capitalism has unintentionally implemented, or it has been forced to implement, those things. As a result, it can be said that modern capitalism is, obviously, capitalism. But on the other hand, it is preparing the conditions for its own rejection.

On the crisis in socialism: There are many reasons for the difficulties and tragedies of socialism. The appearance and construction of socialism have occurred based on a scenario completely different from that conceived of by Marx. In reality, socialism is not the result of a rejection of capitalism. It has appeared in countries where capitalism was undeveloped and in places where the situation allowed the proletariat to seize power but which lacked a material and technical base for socialism. Marx did not foresee a situation in which socialism would exist at the same time as capitalism or in places with a lower starting point than in the capitalist countries of Western Europe.

When considering socialism and communism, even the classicists of Marxism were very cautious. Engels stressed: "In my view, what we call 'a socialist society' cannot become a perfect society all at once. Like every other social system, this must be examined from the standpoint of constant change and improvement." (Footnote 1) (Marx and Engels, "Selected Works," Su

That Publishing House, Hanoi, 1984, volume 6, page 724) Lenin's works entitled "Political Teachings" have a special significance regarding the development of the Marxist viewpoint. A point mentioned in all these works is that "all our viewpoints on socialism have undergone basic changes." (Footnote 2) (Lenin, "Collected Works," Progress Publishing House, Moscow, 1978, volume 45, page 428)

Thus, based on the situation in the socialist countries, to keep up with and eventually defeat capitalism in the struggle, socialism must show great initiative and a high degree of awareness. It must adhere to the specific historical conditions and make effective use of the laws of social and economic development in order to find a strategy to speed up things. But socialism has been built based on subjective and rigid desires and models contrary to these laws. When admitting the shortcomings of socialism and taking steps to reform and renovate it, in many countries, preparations have not been made to solve the problems or to solidify or rebuild socialism. Instead, the first thing that people have done is to destroy what exists. The reason why socialism is trailing capitalism is that Marxism has been trivialized and made dogmatic. This has nothing to do with Marxism itself. One reason for the rapid decline of the socialist countries in Eastern Europe is that mistakes were made in reforming things. It wasn't because Marxist theory was wrong.

Subjective factors: Here there are two levels. First are the shortcomings of Marxism itself. Second are the mistakes made by those who have inherited and developed Marxism-Leninism.

Just as in every other scientific theory, because of the limitations of history, some of the observations made by the Marxist classicists were wrong. For example, when studying capitalism, Marx discovered its laws of development, but he did not fully evaluate the elasticity or ability to change of capitalist society. Reading Marx, people get the impression that the conflicts of capitalism will increase constantly and that the social advances implemented in capitalist conditions will oppose capitalism and create additional problems for that social system. But reality has shown that that is a one-sided way of looking at matters and far removed from Marxist methodology.

We can mention other examples such as the viewpoints of Marx and Engels and later of Lenin concerning commodity viewpoints and the market mechanism. These people did not give proper attention to commodity production following the destruction of capitalism. Lenin did things in accord with Marx and was defeated. The policy of "wartime communism" left a heavy legacy for the Russian economy at that time. Reality has shown that during the initial stage of socialism, the market mechanism can resolve countless economic and social relationships, and bureaucratic centralism can never replace this. It's true that Lenin

adjusted and renovated things and was very creative with his famous New Economic Policy (NEP).

Talking about the subjective factors, perhaps the point that needs to be emphasized the most is the self-criticism of communists. Lenin was a model Marxist in accepting Marxism in a critical way, along with engaging in self-criticism, in order to enrich and perfect Marxist theory. A scientific theory must constantly be reexamined. But Marxist reexamination and self-criticism is completely different from revisionism. Revisionism wants to abandon the principles and transform Marxism. But the only target of self-criticism is to enrich Marxism.

In the history of the international workers' movement, what is clear is that the workers' parties that have not gained power have always engaged in more self-criticism than have the parties that have seized power. This must be the task of people who are building socialism, because this is life. This is the richest practice. Many of the parties in power are timid in examining Marxism and engaging in self-criticism. They are more afraid of revisionism than dogmatism. But actually, dogmatism is just as dangerous, because once it becomes embedded, Marxism becomes mechanical.

There are a number of other important reasons that need to be mentioned. A number of workers' parties have become satisfied with Marxism and themselves and so they slight theoretical work. They fail to identify theoretical work with political work, and they give little attention to or find it difficult to accept new things. The above mistakes and reasons have caused Marxism to lose its original vitality. If this situation continues, Marxism will wither and become backward. It will not be able to solve the new problems that arise.

In order to overcome this situation, we must give particular attention to theoretical work. Marxism must grow constantly, like a living body that grows constantly. This must be a scientific theory that is organically related to the present situation just as a living tree is tied to the sun and weather. Reality requires a new major break through in Marxist theory. At the present turning point, Marxist principles can be preserved and creatively enriched only if we engage in criticism, inherit principles outside Marxism, and selectively accept the creative and rational factors of other progressive currents without being jealous, remaining aloof, or standing in opposition.

The ideological and theoretical banner that the party and President Ho always raised high was Marxism-Leninism. Marxism is the most precious stratum of human intelligence and the spiritual framework of socialism. Marxism-Leninism has created the conditions for the socialist movement to make giant strides and enabled socialism to take a notable position on the ladder of development of human society. For us, Marxism is irreplaceable. Marxism has given us a suitable way to analyze and view things and a correct political strategy for reforming society and for applying this successfully in renovating every aspect of social life and carrying on long-term socialist construction in our country.

Transition to Socialism Bypassing the Capitalist Stage of Development

The Dialectical Law of 'Bypassing'

923E0001B Hanoi TAP CHI CONG SAN
in Vietnamese No 6, Jun 91 pp 17-26

[Article by Nguyen Hong Phong, professor and director of the Institute of History, Vietnam Institute of Social Sciences]

[Text] [Editor's note] Recently, the Political and Philosophical Board of TAP CHI CONG SAN organized a seminar on the transition to socialism bypassing the capitalist stage of development. The following is one of the papers presented at the forum. [end editor's note]

Marx made a well-known observation: History is a natural process. This observation derives from an economic viewpoint: "No social system will perish if the production forces created by that social system have adequate room to grow, they are still undeveloped, and new and higher production relationships have not appeared at a time when the material conditions of those relationships are still undeveloped in the old society." (Footnote 1) (Marx and Engels, "Selected Works," Su That Publishing House, Hanoi, 1981, volume 2, page 638)

Marx' economic viewpoint, which is a generalization of history and which bears the tendencies of an age, is accurate. But in special conditions and in specific historical periods, economics is not always the decisive thing. This means that the progress of society does not always depend on improving the economic conditions or, in particular, on improving the means of production.

During his lifetime, Marx expected that socialist revolutions would break out in the developed capitalist countries (England, America, France, and Germany). But the revolution broke out in Russia, a place that Marx had never expected.

In "On Our Revolution," a work that he wrote just before he died, Lenin affirmed that "people say that to build socialism, you must already be civilized. Very well! But why can't we begin to create these preconditions of civilization in our country by driving the landlords and capitalists out of Russia in order to begin advancing to socialism?" (Footnote 2) (Lenin, "Collected Works," Progress Publishing House, Moscow, 1976, volume 45, page 433) That view is contrary to the view that history is a natural process of development (based on the logic of production strength, production relationships, and social revolution).

When Lenin said that communism is the "Soviet regime added to the electrification of the entire country," many Westerners said that that was utopian. But after just three five-year plans, the Soviet Union had become a powerful industrial country. Thus, in certain situations, scientific

thinking, will power, and zeal have won, and ideology has actually transformed the economic situation.

Looking back in history, we can see that the French revolution in 1789 broke out when a pre-mechanized society encountered conflicts with feudal production relationships. In this stage, people can clearly see the role of progressive ideas. During the previous 50 years, theoreticians such as Diderot, Voltaire, Montesquieu, and Rousseau and economists such as Morelli and Mably criticized the feudal system and encouraged the idea of bourgeois democracy (Rousseau wrote the "Social Contract" 29 years before the revolution of 1789).

After the Russian revolution in October 1917, China and other countries in Asia and Africa (whose production strength was less than that of Russia) built non-capitalist social systems based on the Soviet model.

Today, people say that socialist construction was a mistake. But that is history; that is what happened. What happens in history has its own reasons and its own "rationality" (to paraphrase Hegel). Today, these countries still exist, and their existence must be explained. People can't simply say that their existence is a mistake and that they shouldn't exist.

History is a natural process that relies on economic decisions. As a historical generalization, that is correct. But with respect to specific situations, there are times when economic factors are decisive, and there are times when will power and ideological factors play the decisive role.

In society today, and particularly in the future, science will hold the dominant position and play the dominant role of understanding and will power.

In the decisions made by countries about policy matters and other aspects of social life, the social, natural, and technical sciences are playing a decisive role. People will design a future for themselves. But will it be possible to bypass stages of development or shorten development?

This is related to theories of social evolution. In the 19th Century, theories of social evolution that were based on Darwin's theory appeared. These viewed evolution as a constant process of moving higher and higher, like climbing up a ladder. Later stages must include previous stages. The economic and social structures that were built also followed a plan of moving higher and higher. But evolution (assuming that this includes the structures already existing) does not take place in a specific society just as a result of internal motive forces (the conflict between production strength and production relationships).

In Western Europe, during the 3,000 years leading up to the 19th Century, excluding primitive society, there were three social systems: slavery, feudalism, and capitalism. But evolution did not proceed in every country from low

to high. Instead, each country created a system. Ancient Greece and Rome created typical slave systems but they did not advance to feudalism. The Germans started out with a clan society, passed through bronze, iron, and tempered iron ages, and then moved directly to a feudal society without ever having a slave system. And these Germans never "advanced" to capitalism but became Anglo-Saxons. The Russians created a socialist system. (Footnote 3) (The evolutionary process of moving from a feudal to a capitalist system occurred in only a few countries in Western Europe. As for Russia, as Engels said, it is very difficult to import capitalism from Western Europe. Also, very few countries in Asia, Africa, or Latin America have had a developed social class structure, that is, a feudal system. No country has advanced to capitalism on its own. Up to the 19th Century, the foundation of most of these societies was the rural commune, and in some of these societies, this continued on into the 20th Century.)

Thus, when pointing out a diagram of social evolution, people have ordered things based on periods of development of the various civilizations scattered in space. But in reality, evolution in the history of mankind has been composed of periods of stagnation and periods of sudden leaps.

When a social structure breaks up, it can advance to one of many forms. It doesn't have to advance to a higher form. History has shown that primitive societies can advance based on Asian production formulas (such as in Egypt and India), a slave system (like the Greeks), or a feudal system (like the Germans).

A similar situation happens in an economic structure. In a multifaceted economic structure, a particular economic element, such as small peasants, can be transformed into a cooperative, capitalist, or state enterprise form. Each economic element is a production formula, because a production formula includes production relationships and production strength.

Some societies developed very early, and there are very ancient civilizations (such as India, China, and Greece). But after thousands of years, these countries still haven't advanced to a society with a developed class.

There are also quite a few countries, such as Germany, England, the United States, Russia, Japan, and South Korea, that have made rapid progress. There are also many countries that are quickly catching up with and passing countries once in the lead.

One of the strangest things in historical evolution is happening in the final decades of our century and will continue on into the 21st Century. This is what Alvin Toffler, in his book "The Third Wave," referred to as the "past meeting the future." (Footnote 4) (Alvin Toffler, "The Third Wave," Bantam Books, New York, 1981) This refers to the fact that post-industrial civilization resembles agricultural civilization more than it does

industrial civilization. This phenomenon is not easy to explain, because this involves many factors and related elements.

History always has periods of stagnation and sudden leaps. The same is true today. People talk about the NICs [newly industrialized countries] making a leap, but it should not be forgotten that 90 percent of the third-world countries have not made the changes necessary to "take off" (of these countries, 42 are in desperate straits). Evolution is not a predetermined condition or a "necessity" based on the law that "production strength is always increasing while production relationships are always backward." (Economic and social) evolution is an inner element added to the developmental opportunities. Thus, it is possible to "bypass" a stage depending on the capabilities for mobilizing the sources of inner strength and tying them to the outer sources of strength.

Theoretically, a country that is in the money stage of capitalism can advance to socialism without having to pass through the developed stage of capitalism. Of course, the socialism referred to here is scientific socialism that is based on a developed industry. It is not a utopian socialism, an emotional type of socialism (the idea that all that is necessary to have socialism is to have fair distribution).

The "bypass" issue is really a matter of industrialization. This means that even without using capitalist production formulas, we can still industrialize.

History has given us two models of industrialization: capitalist industrialization in the West (Western Europe, North America, and Japan) and socialist industrialization (the Soviet model). These two models exist in two different systems, but they still have one thing in common: man must be sacrificed for development. The price that must be paid for capitalist industrialization is "primitive accumulation," a system in which there is exploitation of the laborers, cruel colonialism, social injustice, and a division between rich and poor. As for Soviet-style industrialization, Soviet academics have mentioned the price that had to be paid during the 1930s.

If a country like Vietnam wants to use capitalist production formulas in order to develop, it would be very easy to take the capitalist road starting with all its terrible aspects. The many countries in the world that have taken this path have given us a good lesson. The scene described by Marx in "Labor Day" is taking place again in many agricultural countries that have chosen the capitalist path of industrialization.

Is there a way to industrialize that does not require sacrificing people?

There is a way. Socialist countries can borrow capitalist development formulas such as markets, competition, profits, and private ownership in order to develop the economy.

Lenin did this. The New Economic Policy (NEP) was a capitalist development formula, but it was used by a socialist state. But how can we use capitalist development categories and still limit their innate negative aspects in order to hit socialist targets?

Markets are essential, because only if there are markets will it be possible to create the conditions necessary for the even growth of a country's economy. Planning and markets do not conflict with each other. The economies of the developed capitalist countries are all planned economies. Engels talked about this at the end of the previous century. A market economy conflicts only with centralized planning, meaning intentionally "planning" individual innovation within its great variety of shapes. (Footnote 5) (The planned economies of the developed capitalist countries differ from centralized planning in that they include many plans, that is, the plans of corporations, producers, and businesses, instead of having a single centralized plan, with the aim of all the plans being to implement this centralized plan.)

The center of a market economy is profits. Marx discussed the nature of profits, but he did not say anything about the role of profits. The profit earned by businessmen (meaning the surplus value of the laborers) is the reward for the risks of business. It is the condition for future investment, for maintaining the competitive edge of the enterprise, for expanding production and creating new jobs, and for raising wages and other forms of compensation. Unless some of the profits are withheld, it will not be possible to do the things mentioned above. Profits also play a major role in expanding production. Profits are the motive force for studying ways to reduce production costs and a mechanism for managing "optimum" allocation of the sources of profits.

But profits also have negative economic and social consequences. Many social solutions have been proposed in order to overcome the negative effects of a market economy stemming from profits. Examples are "new capitalism," "new socialism," "socialized capitalism," and the "Swedish-style capitalistic socialism." Economists have sought a new type of economics in which there is a dialectical unity between the economic and social aspects of development. In the Western countries, people are looking for a way to transform the logic of a market economy into the logic of a unified economy. Instead of the economy of a few, there will be an economy of all people and of each person.

Socialism can borrow capitalist development formulas. This can be explained theoretically. Everything passes through stages of birth and development. In the birth stage, the new thing develops based on the old. In the development stage, the new develops based mainly on itself. In the birth stage, there is a qualitative change. In the development stage, there is a quantitative change. Socialism, too, has two stages. In the birth stage, that is, the transitional stage, the new develops based on the old system (the multifaceted economy is the old economic structure). In the development stage, the new has already

created a foundation for itself and develops based on that foundation. The transition from a feudal system to a capitalist system was analyzed thoroughly in "Das Kapital." The transition from capitalism to socialism will take place like that. Thus, during the transitional period, when the new is still developing based on the old system, there is nothing strange about borrowing capitalist development formulas. After the new has developed its own foundation, it will produce its own logic of development. In the past, there appeared a logic of economic development based on law of producing use value. Later on, the logic of commodity production was based on the law of exchange value (which has continued to today). But the law of value is no longer sufficient.

Thus, "bypassing" is possible. Using capitalist development formulas is natural in the birth period of socialism.

Finally, who will control the process of using capitalist formulas? This is an operating theme of the socialist countries in the transitional period. Above all, it should not be thought that having a multifaceted economy requires having a multiclass state or a state of "workers, peasants, petty bourgeoisie, and capitalists." With such a state, it will not be possible to set a socialist direction for the multifaceted economy. The role of the progressive (socialist) state will be very decisive with respect to promoting economic development, implementing social policies, building the culture, and setting socialist directions. How will the socialist orientation of the multifaceted economy be set? From the very beginning, the state must solve the economic development problem in conjunction with hitting the social targets. The relationship between economic development and the social targets is complex: There is development that is in harmony with the social targets, there is development that is in conflict with the social targets, and there are social problems that are independent of economic development.

To industrialize without sacrificing people for development, the socialist state must solve many problems. This is where socialism is superior to capitalism. This is reflected in the textbook *Structures et Strategies du Developpement Economique* [Economic Development Structures and Strategies] published by the French Universities Press. One section from this book states:

"There were countries where the per capita income in 1983 was below \$1,000 a year, but they still managed to provide the essential needs of the people. Those are the poor socialist countries of Cuba, Vietnam, and China. And there were countries where the per capita income in 1982 was above \$1,000 a year, but they failed to provide the essential needs of the people. That includes Brazil, Mexico, Saudi Arabia, and Kuwait." (Footnote 6) (Gerard Grellet, "Structures et Strategies du Developpement Economique," French Universities Press, 1986, page 44)

Conclusion: A money capitalist country can enter the transitional stage to socialism. This possibility has been manifested in reality.

The problem is that we must analyze all the lessons and formulate a socialist theory of development (today, we are still searching). This theory must overcome a "general historical philosophy" that wants to be correct everywhere, that contains "abstract truths," but that cannot be applied anywhere. The weak point of Marxists is that they lack "social development techniques." Instead of the general truths applicable to an entire age, there must be concrete truths of development.

Actual Capabilities for Bypassing the Capitalist Stage of Development

923E0001C Hanoi TAP CHI CONG SAN
in Vietnamese No 6, Jun 91 pp 21-24

[Article by Nguyen Dang Quang, section chief, Department of Ideology and Culture of the Central Committee]

[Text] 1. For a long time now, when discussing the transition to socialism without going through the capitalist stage of development, people have often expressed many different ideas. Some have said that, according to Marxist theory, a socialist society can appear only after capitalism, that is, only after capitalism has reached its zenith. Thus, the developing countries, which includes Vietnam, should not try to advance to socialism.

This idea is usually based on a conclusion expressed by Marx in "Das Kapital": "The concentration of the means of production and the socialization of labor will reach a point at which they are no longer suited to their capitalist shell. That shell will break. That will mark the death of the system of capitalist ownership." (Footnote 1) (Marx, "Das Kapital," Su That Publishing House, Hanoi, 1975, book 1, volume 3, page 352) People have used this conclusion to reject the selection of socialist targets in Vietnam.

In my view, this use of Marxism is superficial and mechanical.

First, Marx was talking about a universal logic regarding development and the end of the entire system of capitalism on a worldwide scope. That is a philosophical-historical conclusion. Thus, in the case of a specific country with its specific circumstances and historical conditions, this logic cannot be applied mechanically. "The desire to answer specific questions by simply developing a general logic...trivializes Marxism and just makes a mockery of dialectical materialism." (Footnote 2) (V.I. Lenin, "Collected Works," Progress Publishing House, Moscow, 1976, volume 3, page 15)

Second, socialism does not arise just from economic conditions but also from the class, social, political, and human conflicts. During the first half of the 20th Century, sharp class, political, and national conflicts arose within the imperialist countries and between those countries and the colonial and dependency systems. That led directly to proletarian and national liberation revolutions.

These countries had only one way out. When the time was ripe, they had to break free from the yoke of slavery of imperialism by seizing power, solidifying national independence, and setting out on the path to socialism.

Thus, socialism has now been established and handled in a new way that reflects man's new needs, which are different from those imagined by Marx in the previous century. The Russian October Revolution, the Vietnamese August Revolution, the Chinese revolution in 1949, and the Cuban revolution in 1959 were all socialist movements that manifested the new capabilities of socialism.

Third, the second half of the 20th Century has posed many new problems for the future of both capitalism and socialism. Recently, at a time when capitalism is stabilizing and developing rapidly, there have been sharp warnings to the effect that "mankind faces ruin unless it can change the direction of social evolution." (Footnote 3) (Actually, since the end of the previous century, science has predicted the danger of social annihilation of capitalist civilization: "The collapse of society is confronting us in a threatening manner like the end of a developmental process, with wealth being the final and only goal. This is because such a developmental process contains the factors leading to its own destruction"; Marx and Engels, "Selected Works," Su That Publishing House, Hanoi, 1984, volume 16, page 273)

Thus, is there any reason to wait until capitalism has reached the end of its development before raising the issue of replacing it with a different and safer social system? Mankind might be destroyed while history is still far from that point. Thus, man must stay alert and take action now.

Today, choosing socialism is in harmony with looking for a strong social development formula that will preserve humanity and be safer for the survival of man and the appearance of our planet. The countries that have never passed through the capitalist stage of development (which includes our country) have tried things and seen the disasters of the capitalist path. That is why they have chosen the socialist path with assurance (naturally, using a model different from the old model). This is not an even path. It is filled with difficulties, but this is a very promising path with a future.

2. Some people say that Vietnam's advance to socialism "contains aspects that are essential and aspects that are not essential. This is essential in terms of history, politics, and the tendency of the present age. But it is not essential in terms of economics or the level of development of the production forces."

Today, the phrase "not essential economically" is the main argument used to reject choosing the socialist path or to ask that the target of advancing to socialism be temporarily abandoned and that we return to the bourgeois civil rights thesis of the 1930s. This is also one of the main arguments that is causing many people to waver and doubt the path chosen by the nation and

themselves, the path that we have been on for more than 50 years. Thus, this phrase must be considered carefully in order to clear up the misunderstandings.

If "economic necessity" is understood to mean that "the conflict between the production relationships and production forces in the capitalist production formula, with the credentials of a world system, must develop to the utmost, to the point where that production formula collapses completely," then as analyzed above, that cannot be regarded as the only standard or be used mechanically by each country in specific historical conditions. Furthermore, that general logic has been supplemented at least twice by life in the 20th Century, once during the first half of the century and once during the second half of the century.

Thus, adhering to the phrase "not essential economically" when discussing the possibility of advancing to socialism in Vietnam must be regarded as a dogmatic attitude and as an intentional effort to use an argument of Marx to reject socialism.

If "economic necessity" is understood to mean that "only if the production forces, labor productivity, and the per capita national income have reached a high level can the question of choosing socialism be posed," this standard is too vague and is of no help to us. This is because no one, including those who have advanced this argument, can clarify what is meant by "high economic standards" or in which countries the production forces have these high standards and must switch to socialism. In such a situation, people will naturally think: "The best thing is to stop talking so much about socialism and choose the capitalist path or a type of people's democracy." That is the impasse that is reached by those whose thinking is based on "only production forces."

If "economic necessity" is understood to mean that "we already have a number of conditions and the minimum economic preconditions to begin the transition to socialism," it can't be said that Vietnam does not have the economic preconditions. The Draft Program mentions these preconditions and conditions. The Draft Strategy has carefully analyzed the preconditions and conditions in the system of sources of development strength. If we agree with that analysis, it must be affirmed that Vietnam's advance to socialism is also essential economically even though there are still many limitations and great difficulties. Because of this, we cannot agree with the observations that "because of our economic backwardness, during the more than 15 years of socialist construction, our country has still not created the economic preconditions and conditions necessary for making the transition to socialism as a natural historical process." Because, if that is true, making the transition to socialism in our country is an erroneous and voluntaristic decision, and formulating a Program To Advance to Socialism becomes meaningless.

The above ways of viewing things all have rational aspects, but they are not the main contents of the concept

of "economic necessity." In my view, economic necessity is mainly the law of an economic system that is making the transition to socialism. To phrase this another way, can the economic system that we are building ensure the transformation of our country from a poor and undeveloped country into a nation where "the people are prosperous, the country is strong, and everyone is prosperous, free, and happy?" On the theoretical front, the Program and Economic Strategy answer this question. I would like to mention a number of important points:

Are the new viewpoints concerning the ownership structure and the multifaceted economic structure in accord with the laws of developing the production relationships and production forces in our country?

Is the policy of developing a commodity economy in accord with the objective laws and the people's desire for freedom and democracy?

Do the new viewpoints concerning industrialization and cooperation reflect the level of understanding of the present age?

Is implementing a market mechanism that is controlled by the state at the macrocosmic level in accord with the progressive experiences of the countries with the most successful economies?

Can the system of economic and social policies that has been put forth fully mobilize the sources of strength and fully exploit the motive forces in order to bring about a rapid rate of economic growth and maintain the social policy?

I don't want to repeat in detail all the issues in the Program and Strategy, which the entire party and all the people discussed and to which they contributed many ideas. I think that with the major features of the economic system that have been outlined (some have already been implemented), we have real capabilities for advancing to socialism without having to pass through the capitalist stage of development.

The issue of "economic necessity" and the question of "bypassing" things should be discussed based on the contents defined above instead of talking about things in an abstract or dogmatic manner.

The most important point is that movement should be in accord with the laws. Only if movement is in accord with the laws will it be possible for the potential capabilities and the existing conditions and preconditions to become essential to socialism. With the old concept concerning socialism and the policies that were contrary to the laws, we could not use the capabilities and wasted many valuable conditions. Examining things based on the old way of looking at things will lead to the conclusion that our country lacks an economic need to advance to socialism. That was a time when we were using the old model and the old mechanism. Only after we switched to the new model and the new mechanism did we gradually

begin to see that we had great capabilities and good conditions for developing the country and advancing to socialism.

An example is the issue of plural ownership and multi-elements in the economy. If the socialization of production follows the path of accumulating and concentrating more and more capital, this will lead to a point in which all we have are large and very large enterprises. There will be just one form of ownership, and all that will be necessary is to nationalize things. But in reality, particularly since the scientific and technical revolution began exerting an effect, people have seen that there is a second trend in the socialization of production. That is the trend toward decentralizing things and separating the production processes into independent but mutually supportive elements that are controlled by all of society. This tendency has led to the development of medium- and small-scale enterprises and even individual and family production. This has spawned many forms of ownership and many economic elements. Because of this, the significance of nationalization has declined, and the role of the cooperative private economy has increased. These two tendencies are interwoven. They are constantly changing and supplementing each other, thereby enabling the economy to make full use of the fruits of the scientific and technical revolution and grow rapidly. (Footnote 4) (For example, in the Federal Republic of Germany, prior to 3 October 1990, there were almost 50,000 industrial installations, most of which were small or medium-sized installations. Of these, 25,580 employed 1 to 49 laborers; 16,500 employed 50-199 laborers; 6,000 employed 200-999 laborers; 1,100 employed more than 1,000 laborers; and a few corporations employed more than 100,000 laborers. Some of the small and medium-sized enterprises made a good profit and had great competitive strength in relationship to the multinational corporations; see NHAN DAN CHU NHAT, November 1990)

In summary, with a new view of socialism and with correct policies, advancing to socialism in Vietnam is a real possibility. The renovation movement of the past four years has proven this. Based on this, there is an economic need to advance to socialism without going through the capitalist stage of development. This is not a voluntaristic choice, and it does not mean that we must continue on a course chosen previously. The present age has posed the question of socialism in a new way. We cannot wait until capitalism has completed its development and destroyed mankind before looking for another development path. By then, it will be too late.

Objective Trends and Subjective Conditions for Advancing to Socialism in Our Country

923E0001D Hanoi TAP CHI CONG SAN
in Vietnamese No 6, Jun 91 pp 24-26

[Tran Ngoc Hien, deputy director of the Nguyen Ai Quoc Institute]

[Text] Reality has raised the question: Is there still a worldwide trend away from capitalism to socialism?

Only if this question is answered correctly will it be possible to determine the objective capabilities of the transition to socialism in our country without going through the capitalist stage of development.

The scientific and technical revolution, which was accompanied by an economic revolution, has opened a new stage in the socialization process, the transitional stage from an industrial civilization to a new civilization in the history of mankind. The special characteristics of this stage are:

A new technical base for social production has come into being and expanded rapidly. Along with this, there is a totally new social production force, and labor productivity and product quality are much higher as compared with large-scale machine industry.

The primary roles in the labor process are shifting from manual labor to mental labor. Tied to this new technical base, the worker class has moved into a new stage, the stage of knowledgeable workers. The gap between workers, technicians, and managerial laborers is gradually being narrowed.

The all-round growth of individuals is a direct requirement of the economic and social processes.

The need to humanize social relationships in the market economy sphere and other spheres of life is growing (such as the need for democracy and human rights, the need to protect the environment, maintain peace, and maintain friendly relations between nations, and the need to oppose aggression, exploitation, and political deceit).

The process of developing the new civilization has a systematic and synchronized nature and is moving at a rapid pace.

This is a stage of preparing the economic, technical, and cultural preconditions within capitalism in order to make the transition to a new and higher system. However, within capitalism, there are still internal conflicts:

One one hand, capitalism has scored great achievements, provided greater profits, and temporarily reconciled the opposing forces in society.

On the other hand, the socialization and internationalization of the economy has promoted the rejection of each aspect and element regarding the capitalist system (worth noting is the change in ownership rights and the democratization of economic relationships). Capitalism has accumulated major social and political problems: the conflict between highly developed production and rising unemployment, between democratic needs and the system of unequal distribution, between the process of expanding the markets and oppression and exploitation of the people, and between the profit targets and the need to protect the environment and ecological system.

The new civilization has been born from capitalism, but ironically, it is difficult to develop and perfect this together with capitalism. And conversely, given its nature, capitalism cannot coexist with the new civilization. Thus, history requires a higher social system to match this new civilization. The formation of this system will require passing through a social and political struggle in many forms and in the economic-social, cultural-ideological, and political-military spheres.

The objective tendencies in the transition from capitalism to socialism discussed above have created the material and cultural preconditions for backward countries (such as Vietnam) to adjust to the new civilization, gradually develop, and create the potential for bypassing capitalism on the path to socialism. These preconditions are:

Our country can use the scientific and technical achievements and soon renovate its technical base and national economic structure in line with modern trends.

We can accept the cultural and social achievements in order to modernize and exploit the good values and traditions of our nation and overcome the backward aspects. Our nation will then be able to contribute to the progress of man.

We can inherit the achievements and study the lessons in administrative, social, and labor organization and the science of economic management and study the experiences in exploiting the human factor in the new civilization in building the country.

We can avoid or limit the mistakes made by capitalism with respect to the environment, manpower, and resources. We can greatly limit the negative aspects (concerning morals and ways of living) of the market economy that stem from the nature of capitalism.

History has given us an objective tendency. The transition to socialism is a unique opportunity if we promptly seize this opportunity and quickly prepare the subjective conditions.

Experience has shown that in the national democratic revolution and today's socialist revolution in our country, the growth of the subjective factors, particularly our national solidarity and the correct leadership of the communist party, has been particularly important.

Today's international and national conditions have placed Vietnam at a crossroads among the civilizations. Because of this, life is very complex. Reform and renovation are tied to intellectual conservatism. Along with progress, there is degeneration and deterioration. Some things are evolving and making great strides while other things are withering. There is both independence and slavery. This process is both a favorable opportunity and an obstacle that has created difficulties and that is posing a vital challenge to the nation. Everything depends on the stability of the subjective factors.

The very important subjective factors for this "bypass" transition are: the country is independent and unified,

and it has entered a period of peaceful construction. Our people are very patriotic and understand politics. They have their own administration and are serving as capable tools in building and defending the country. We have formed a rank of scientific and technical laborers with an initial material, economic, cultural, and scientific base. All of these preconditions are related to the accumulation of leadership experience by the party based on Marxist-Leninist theory and methodology in the previous revolutionary process and today's renovation movement.

In general, to exploit the subjective factors in order to bypass the capitalist stage of development on the path to socialism, particular importance must be given to the following:

1. The country's leadership and management standards must quickly be improved, and the people's standards must gradually be raised.

There must be a profound renovation in the spheres of education and cultural life. A foundation must be created for both the immediate future and the long term. Particular attention must be given to studying things and coordinating the values of the new civilization and the traditional values of the nation. Theoretical work must focus on improving understanding and results. The present path of theoretical development must be based on Marxist-Leninist methodology, the practices in renovating the country must be reviewed, and the experiences of the world must be studied. Things must be reviewed with a scientific and objective world view and a profound understanding of history. We must learn the lessons that can provide practical guidance and not just look for strengths and shortcomings as in the past.

The quality of the theoretical work will contribute greatly to the ideological work and help prevent a situation in which people "have much information but lack understanding." This will also help the practical activities determine which directions are right and truly socialist and which lead back to capitalism. This will help overcome empiricism, dogmatism, and other negative aspects.

2. In the economic and social strategy, improving the lives of the great majority of people in society (the peasants and wage earners) is the No. 1 priority in order to exploit the subjective factors.

The economic solutions aimed at resolving the relationship between consumption and accumulation can be implemented only if we soon make use of our country's advantages: a large, skilled labor force, intellectual potential, and the country's geographical position in international commercial interchange.

3. Carrying on political renovation along with economic, cultural, and ideological renovation is the correct path for exploiting the subjective factors. Here, it must be

pointed out that the leadership role of the party organizations is different from having the party act on behalf of the people and replace the regime of the people. Improving state management results is different from bureaucratizing the economic and social relationships using administrative and bureaucratic measures.

"Without capitalists, there can't be a capitalist economy or capitalism." Similarly, socialism can't exist without cadres and without businessmen and managers in accord with the development guidelines at both the macrocosmic and microcosmic levels.

There must be close coordination between the three types of cadres—politicians, businessmen, and scientists—in order to have guidelines for handling information and making correct leadership and management decisions.

Exploiting the subjective factors in our country's present conditions means preparing the preconditions and people for gradually creating the new civilization and advancing to socialism. We should not wait until we have all the material and cultural conditions before starting to build socialism.

Corruption and Opposing Corruption

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 27-29

[Article by Duong Tung; not translated]

Developing the Culture of the Ethnic Minorities in Vietnam Is Urgent

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 30-32

[Article by Nong Quac Chan; not translated]

The Party, the State, and Economic Development

923E0001E Hanoi TAP CHI CONG SAN
in Vietnamese No 6, Jun 91 pp 33-36

[Article by Pham Ngoc Quang, M.A. in philosophy]

[Text] As a result of implementing the party's new line, during the past several years, our country's economy has made noteworthy initial changes. This shows that renovating the leadership of the party and the management of the state with respect to economic development in our country is the right direction.

As for socialist construction in Vietnam, with respect to economics in particular, this is a process of transforming a natural, self-sufficient economy with small-scale, dispersed production, in which a number of capitalist factors have arisen recently, into a planned socialist commodity economy having a set direction. The political orientation of economic growth is very clear. This does not have a spontaneous nature. Instead, things are organized and implemented under the leadership of the party and the management of the state.

The party's leadership with respect to economic development can be correct and scientific only if the party adheres to and correctly applies the objective laws of development in formulating its economic line. Under the light of the resolution of the Sixth CPV [Communist Party of Vietnam] Congress, in renovating its leadership in all respects, the party has understood this and acted accordingly.

The existence of a multifaceted economy during the period of transition to socialism is a phenomenon with the nature of a law. Because of this, attention must be given to setting political and social directions for the development of all the economic elements, exploiting the positive aspects of each element, and limiting their negative aspects. Favorable conditions must be created for the state economy so that it can expand in accord with the law and always play a guiding role in the economy. Previously, the private capitalist economy was eliminated, but now, we must create an environment in which it can exist and expand (above all in the production sphere and perhaps in the sphere of internal circulation) in accord with the laws. This economic element has the ability to attract foreign capital and technology, expand production, provide jobs, and increase people's incomes. Because of this, within certain limits, this must be stimulated. The family economy is becoming a vital force and potential. If there are suitable conditions, it will certainly make great contributions.

It is the party's responsibility to ensure that the people understand the correctness of the economic line and consciously implement this line. Only by using this process will the party be able to involve the masses in the struggle against the negative aspects generated by implementing the multifaceted economy mechanism. Only if the people are aware and make an effort will it be possible to implement the party's economic line.

Through intelligence and organization, the party has always managed to maintain the unity of economic policies and coordinate the economic policies with the social policies. In its political lines in general and its economic lines in particular, the party has always used the legitimate interests of the owners of the economic elements and the laborers as the starting point. Many times, the various interests not only differ from each other but also stand in opposition to each other. In developing the economy, the party's political leadership arts serve to coordinate and reconcile the legitimate interests for the expansion of the socialist commodity production. This is not simple, because the party must constantly struggle against "leftist" and "rightist" deviations within the party and in society. If the party leans to either of these two extremes, the economic line will fail, and socialism will become just an empty phrase.

The entire party is giving attention to strengthening and training an excellent rank of economic management cadres. Even though we have made many attempts to do this, in implementing the new economic management mechanism, our economic management cadres are still very confused, their political views are not strong, and their business acumen is weak. This has led to financial losses and waste of state money and materials, and customers have lost confidence. Thus, along with forming a new economic management mechanism, a rank of skilled economic management cadres of good quality must be trained. The leading standards for today's economic cadres are: strong political viewpoints, the ability to organize production and business, and a lofty spirit of responsibility.

Along with renovating and perfecting the party's leadership with respect to economic development, renovating management and quickly improving the economic management capabilities of the state are very important tasks.

Transforming a society with a spontaneous economy into a society that is managed scientifically is a long historical process. Our state is a state of the people, by the people, and for the people, but its economic management capabilities are still weak, and bureaucratic centralism is still a problem in organizing and implementing things. For many years, we have made administrative measures and orders in economic management absolute. The state has interfered too much in the production and business activities of the economic units.

As a result of bureaucratic centralism, the state has made the law of planning in economic management absolute

and regarded this as the only way to develop the economy in the transitional period. Bureaucratic centralism type planning has resulted in the economic installations, producers, and businessmen becoming passive and dependent. They do not have the ability to promptly resolve the conflicts in economic life, and this has led to economic sluggishness. In previous years, everyone was aware that many of the state's economic policies and laws could not be implemented strictly and that the effectiveness of state economic management was declining seriously. There were many examples that showed that the sectors and products managed by the state were in decline. In the economic sphere, there were many times when the state could not manage the sectors or localities.

There are many explanation for this situation, but in the final analysis, the main reason was the state's inability to maintain the interest relationships in the economic policies. Many of the policies exaggerated the common and collective interests, which led to serious violations of individual interests. The interests of the socialist economic sector were made absolute, with the result that the legitimate minimum interests of the owners of the non-socialist economic elements were not guaranteed. Thus, in order to survive, they looked for ways to nullify the state's policies using a variety of methods. In the end, the state's economic management role became ineffective.

In order to increase the effectiveness of state economic management, the economic policies must manifest the legitimate interests of the economic elements and of the laborers working in those elements. Because, the nature of state management in the economic sphere is to form correct needs and interests and, based on this, direct the activities of the masses and economic elements toward the targets and interests determined scientifically and manifest their self-management role. As the Sixth CPV Congress pointed out, management "is not the work just of the professional managers but also of the people." (Footnote 1) ("Political Report of the CPV Central Committee at the Sixth National Congress of Delegates," Minutes of the Sixth National Congress of Delegates, Su That Publishing House, Hanoi, 1987, page 111)

The state's management task in the economic sphere is to guide the masses in realizing benefits that play a role in stimulating the development of society. These benefits are ones that help maintain unity and that help reconcile public and private interests and individual and social interests. These requirements and interests must be concretized in the form of concrete policies in line with the standards of the masses and the condition of the economic relationships. The failure to give the proper amount of attention to the above objective orders is one of the reasons why the state's economic plans and policies have been unrealistic in the past.

The common interests of social development are not something abstract that exist outside the specific interests of the various social entities. The common interests are always manifested concretely through the varied and

even opposing interests of individuals, groups, and social classes. This objective reality means that the state must have a flexible system of policies to maintain control of the common interests and manifest the special interests of specific interest groups. This is the key to motivating each social entity. This is also a fundamental condition for ensuring that the state's economic policies are accepted and consciously implemented by the various social entities. In this way, the policies will serve as the state's economic management means and as the means for encouraging the masses to participate in this management. In a multi-faceted economy, with the general political orientation of each economic policy being to contribute to the formation of a socialist economy, within a specific framework, the state's economic policies and laws must also protect the interests of all the entities in the various economic elements, including the rights of a number of bourgeois elements who enjoy the benefits of surplus value. On the path to eliminating exploitation, within certain limits and in a specific stage, the worker class and laboring people can accept exploitation as a condition for shortening the time it takes to reach the goal.

But a problem arises here: During the present stage of the transitional period, the state's policies must somehow become tools to coordinate the economic interests for the success of socialism. The economic policies must given attention to the unity of the conflicting economic elements. Only in this way will we be able to exploit the potential of the economic elements in the struggle to bring about socialism. Nguyen Van Linh said that "the thread running throughout these policies is handling the economic interests correctly in order to create a motive force for production and business." (Footnote 2) (NHAN DAN, 18 April 1987) The common interests of socialism exist through the interests of the different sectors and localities. Although they are similar in nature, the specific interests are very different, and they may even oppose each other. The management effectiveness of the state in the economic sector will decline if the economic policies exaggerate the common and long-term interests and slight the interests of the localities, sectors, and bases and the immediate interests or vice versa.

In order to increase the management effectiveness of the state in the economic sphere, the state must have economic forms that will actually allow the various interests to be manifested (provided that those are legitimate interests). The state must promptly find models of new economic forms and review things in order to discover the general principles and reformulate them as policies and legal stimulations. From that, it must expand its overall scope with respect to the entire economy. Biases, conservatism, and bureaucratic centralism will make it impossible for the state to discover the new factors in the economy, and because of that, the state's economic management functions will not play an active role in the birth of new economic models. Because of this, biases against unfamiliar economic models and non-socialist economic models must be opposed. New

values must be formed based on a spirit of having all economic interests contribute to exploiting the existing potential in order to promote the process of switching to a large-scale socialist commodity production worthy of respect. With the credentials of an organization that manages things in accord with the laws, the state must transform that respect into policies and legal stipulations in order to make material changes that will benefit socialism.

The things discussed above do not, of course, mean that the state should be turned into a tool to manage opposing interests. Having the state consciously coordinate the opposing interests for the victory of socialism is fundamentally different from the idea of having it manage the interests. This is because this coordination is a special form of the struggle between the economic elements and between the economic interests in moving to resolve the conflicts. Furthermore, in order to coordinate the opposing aspects, the state of the laboring people must constantly struggle against the negative tendencies arising from the opposition to socialism and from the mutual effects between the opposing aspects.

At the Second Plenum of the CPV Central Committee, Sixth Term, when discussing the matter of exaggerating either common interests or local interests, which could result in the loss of coordination, and having principles on interests, Nguyen Van Line emphasized: "People must not try to solve the problems under the name 'democracy' or based on the individual viewpoints of their locality or sector. One viewpoint with the nature of a principle is that we must base things on public and national interests." (Footnote 3) (NHAN DAN, 17 and 18 April 1987) And, "in our country, we definitely can't accept local interests to the detriment of our national interests. At the same time, we must not do things in the name of central echelon interests that will limit the ability of the localities to accumulate or stunt their drive or creativity. The overall effect of that would be to weaken the common interests of the central echelon and the localities." (Footnote 4) (Ibid.)

In the struggle against "excessiveness," along with education and persuasion, with the credentials of the central power organ of the working class and laboring people, the state must make full use of its effective means, which include economic mechanisms, economic regulations, economic forms, and economic levers.

In opposing bureaucratic centralism, using democratic measures in state economic management requires that management not be carried out using administrative orders but using economic levers. With the exception of a number of particular spheres, direct and all-round planning must be replaced by indirect planning. Absolute centralized management must be replaced by state economic management at the macrocosmic level in close conjunction with the economic independence of the bases.

Renovate the Contents of the Macrocosmic Plan

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 37-38

[Article by Vu Thi Ngoc Phung; not translated]

Ideas on Renovating the Management Mechanism at the Primary Level Units

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 39-43

[Article by Thanh Son; not translated]

To Limit the Inflation Rate in Vietnam

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 44-47

[Article by Le Van Tu; not translated]

Formulating a Human Strategy, a Pressing Requirement

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 48-51

[Article by Tran Van Binh; not translated]

**A Number of Documents on the Conference To
Establish the Party and the October 1930 Plenum
of the Party Central Committee**

*00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 52-53*

[Article by Pham Binh; not translated]

The Opposite of Bourgeois Democracy

00000000 Hanoi TAP CHI CONG SAN in Vietnamese
No 6, Jun 91 pp 54-57

[Article by Hoang Cong and Hung Nghiem; not translated]

The Swedish Model

923E0001F Hanoi TAP CHI CONG SAN
in Vietnamese No 6, Jun 91 pp 58-59

[Article by Tien Lam]

[Text] In the reform and reorganization movement, correctly defining socialist viewpoints is a process that requires must research and study. Depending on the outlook of each person, the experiences of the past and of each country will be approached differently. The social democratic tendency is widespread in a number of countries. In particular, some countries have great hopes for the "Swedish model."

A social democratic government has led Swedish society for a long time now. This government has kept the GNP growing at an annual rate of 4-6 percent, maintained a high level of commodity consumption and social services, and implemented relatively progressive distribution. Thus, by the early 1970s, based on the per capita income, Sweden had become one of the wealthiest countries in the world. This is because the government implemented correct economic policies regarding production techniques, wages, social insurance, and taxes. The social democrats of Sweden are proud of the fact that they have established an effective "social element." The public health and education sectors are highly socialized. State elements make up 10 percent of industrial production, 33 percent of the gross national product, and all of the workers.

Theoretically, some people say that the "Swedish model" is an attractive "third path" lying between capitalism and administrative socialism. That is, it is the path of social democracy. According to them, the "true" socialism that communists are seeking actually lies there.

Actually, Sweden is still a capitalist country, because there, private ownership of the means of production still plays the main role. Sweden has managed to achieve outstanding economic and social results mainly because of certain historical and social reasons. Sweden is a small country. It has not had a civil war for centuries, and it has not been affected by world wars. The feudal system there had special characteristics. In the 16th Century, a strong centralized state appeared. This state established a tradition of a racially pure population obedient to the central authorities, and the people participated in social control in the localities. The bourgeois class came into being late. At the beginning of the 20th Century, two large forces appeared, trade unions and major business groups. There was a fierce class struggle. Both the bourgeois and proletarian classes were strong and well organized. There were nationwide negotiations between the

trade unions and the owners, which led to a reconciliation between the classes. The government did not nationalize the enterprises. The owners maintained control over the enterprises, but they had to pay high taxes and allow the "social elements" to survive. Even though the bourgeoisie resisted, in Sweden, because of the powerful trade union movement, which had the support of the farmers, the bourgeoisie were forced to agree.

At the beginning of the 1980s, the "Swedish model" showed major cracks. The so-called pillars of the Swedish economy were rocked. This can be seen from a number of angles:

First, wage increases exceeded safe limits, with wage levels being double the average for Western Europe. Economic growth did not keep pace with wage increases. This was one of the reasons for the rise in inflation. In 1989, the inflation rate was 9.5 percent, and it was increasing. The Swedish government regulated wage increases mainly by having the industrial sectors compete against other countries, with the other sectors having to follow suit. Because of this, many production installations lacked production manpower, because workers usually looked for places near their home where wages were high.

Second, the labor shortage reached an alarming level. During the period 1983-1989, the annual vacation allotted each wage earner increased from 19 days to 26 days. As a result of this, the gross national income dropped 4 percent, and the average labor time declined. Because laborers received free medical treatment and were given paid leave without being checked closely, cheating in taking leave was widespread, particularly among people below the age of 20.

Third, the policy of raising taxes has been less effective than before. Today, taxes account for 50 percent of the national income. Raising taxes even higher will have a negative impact on production.

The cracks in the Swedish model can also be seen in social life. There are two potential conflicts in Swedish society that are becoming more and more serious:

First, there is the conflict between the interests of the private capital companies and the system of relatively equal income distribution. During the 1980s, the "social elements" received less from the sources of public assets. State funds, in the form of credit, for example, were used widespreadly in the private elements, which increased the amount of speculative capital and the number of millionaires and billionaires. Because the wages paid in the various sectors were about the same even though labor productivity was different, both capital and labor moved to the sectors with high labor productivity, because they could earn more there. These surplus profits had to be invested in the country's economy in order to create new jobs, or it had to be turned over to the trade unions to purchase shares in the corporations, as proposed by the social democrats. However, because of the nature of their class, the capitalists usually

opposed that. They invested capital abroad and did not remit as much of the profits back to the country. A number of the large corporations, such as Volvo, for example, became multinational corporations. This corporation has purchased 20 percent of the shares of the French Renault Corporation. The two companies have agreed to purchase 45 percent of each other's buses and trucks. Sweden does not check the export of capital, and workers can no longer check the economy through the government. The result is that there has been a serious loss of capital, which has led to a serious balance of payments deficit (in 1989, the deficit was 33 billion Kronor, and the deficit for 1990 is expected to be 71 billion kronor, which is 5 percent of GNP) and a higher foreign debt.

The second conflict existing in Swedish society is the conflict between the workers and the bourgeoisie. The working class wants to strengthen the "social element," manage things itself, and control the work at the enterprises within the limits stipulated by the authorities. But the bourgeois class wants to use the talents and creative energy of the workers to serve it. It wants to exploit the workers. Because of the ever bolder activities of the bourgeois class, the laborers understand that the more they work, the more they will lose. They know that their labor will just enrich the exploiters. They will become

surplus laborers when the enterprises close their doors or change scale. A question that has been posed is, With today's new technology and new methods of organizing labor, what will be the role of the workers in the enterprises?

To advance to socialism, not only must laborers be liberated on the class and social fronts but they must also be given an equal opportunity to develop their personality. Can the social democrats move forward in that direction? The first thing is that they must come to grips with many serious problems. They must keep the "social element" from declining. They must advocate fixing wages and prices in order to prevent inflation, and they must advocate reducing the tax rate (as of January 1991, the highest tax rate was 50 percent of individual income). They must also deal with the high rate of job absenteeism and the manpower shortage. It seems that the golden age of the "Swedish model" is already over. The so-called class agreement is in danger of falling apart. From this, we can see that in theoretical studies on socialism, we cannot affirm a particular model of socialism. We can study the experiences of the social democrats in Sweden, but the formation of socialism in each country depends on the specific historical and social conditions of that country and on the general principles of Marxism-Leninism.

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19 November 1991

From Foreign Publications

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**On Forms of Ownership and the West's Criticism
of Communism**

00000000 Hanoi *TAP CHI CONG SAN* in Vietnamese
No 6, Jun 91 pp 60-62

[Article by E.V. Ilyankov; not translated]

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