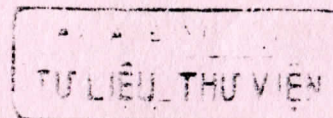


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COMMUNIST PARTY OF VIETNAM



POLITICAL REPORT OF THE CENTRAL COMMITTEE

(7 TH TENURE)
MID-TERM NATIONAL CONFERENCE



THE GIOI PUBLISHERS
HANOI - 1994

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TƯ LIỆU THƯ VIỆN
COMMUNIST PARTY OF VIETNAM

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LIÊU THƯ VIỆN



Do Muoi,
General
Secretary of
the Central
Committee
of the
Communist
Party of
Vietnam.

Comrade Advisors to the Central Committee,
Delegates,
Comrades,

On behalf of the Central Committee, I wish to present the Political Report of the Central Committee to the National Conference of the Party.

The Party's 6th Congress mapped out the line of all-round renewal, marking a turning point in the cause of building socialism in our country. The Party's 7th Congress reviewed five years' implementation of renewal, adopted the Political Programme and the Strategy for Socio-Economic Development, and pointed out the direction for a profound and harmonious renewal process.

Since the 7th Congress, the world situation has gone through a process of rapid and complex evolution. The socialist regime in the Soviet Union and Eastern Europe has collapsed. The independence and sovereignty of a number of nations are being

challenged by a policy of brutal force and imposition. Hostile elements have carried out strenuous activities against our people's work of national construction and defence. Once more, our revolutionary cause is facing acute challenges.

However, there have also emerged in the world new, favourable factors: the will and strength of the all nations to struggle for national independence and sovereignty has increased and the trend towards development and cooperation has broadened in the life of the international community. From their temporary setbacks, the revolutionary forces have drawn valuable lessons. In our country, the achievements of renewal have reinforced our position and increased our strength to overcome difficulties and take advantage of opportunities to develop in peace.

In the face of new challenges and new opportunities, our Party and people have demonstrated their unswerving political capability. The Resolutions of the Second, Third, Fourth and Fifth Plenums of the Central Committee have elaborated on and developed the line of the 7th Congress, solved a series of specific problems in many domains, internal and external alike, in conformity with the unfolding situation and newly-emerging issues. We have persevered in the renewal line, pushed ahead socio-economic development, broadened democracy, maintained political stability, consolidated security and national defence, diversified external relations and gradually breached the encirclement and embargo.

The Party's National Conference has the task of reviewing the execution of the Resolutions of the 7th Congress and has made an initial review of the realities of renewal since the 6th Congress, in order to shed more light on a number of issues in the process of building socialism in our country, defining major decisions and measures for the successful implementation of the Resolutions of the 7th Congress, thus leading our country's revolutionary cause firmly ahead.



Opening of the Conference.

From left to right: Nguyen Van Linh, advisor and former Party General Secretary, Do Muoi and Prime Minister Vo Van Kiet.





Vo Van Kiet with some representatives.

Do Muoi with some representatives.



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(TU LIEU THU VIEN)

PART I

IMPLEMENTATION OF 7TH CONGRESS RESOLUTIONS

I. ACHIEVEMENTS

1. A great achievement of prime significance is that we have made a very important step in overcoming the socio-economic crisis.

This crisis emerged in the late 1970's and early 1980's, has lasted for over a dozen years and became most acute in the years 1986-1988, when inflation was skyrocketing, and again in 1991, when yet another dangerous challenge arose.

However, with enormous effort from our Party, State and people, our country's economy has not only stood firm but also recorded outstanding achievements, *ridden out stagnation and recession in many fields and obtained a fairly-high growth rate throughout the past three years.*

Inflation has been pushed back, from 67% in 1991 down to 17.5% in 1992 and only 5.2% in 1993.

Our GDP has increased by a yearly average of 7.2% (the target set for the five years 1991-1995 being 5.5-6%). Agricultural production has developed quite comprehensively; the food

problem has been solved satisfactorily with food yields in 1993 totalling nearly 25 million tonnes, surpassing the target set for 1995. Industrial production has seen an average yearly growth rate of 13%, higher than the target set for the 1991-1995 five-year plan (8-10%). The production capacity of certain major branches and commodities, such as electricity, crude oil, steel, cement, etc., has increased. The communication network has expanded rapidly with the introduction of new technological equipment. Construction, transport, commerce, tourism and other services have all developed. The economic structure is changing. A number of new branches of production and business have emerged.

External economic relations have been broadened in number and diversity. We have overcome the consequences of the sudden reduction of our traditional market, widened exchange with new partners and increased export value by roughly 20% annually. Up to the end of 1993, we granted 836 licenses for direct foreign investment with a total registered capital of 7.5 billion US dollars; recorded initial success in attracting more development assistance and loans at preferential terms from foreign governments; and re-established normal relations with international financial and monetary institutions.

The process of domestic capital accumulation in the economy has begun, though on a small scale. The life of the majority of the population has been improved.

A mixed economic structure is taking shape. Initial steps have been taken to re-arrange and re-register State enterprises. The number of long-term, loss-making enterprises has been significantly reduced. The number of efficient business units has

increased. In general, the State sector has continued to develop, to control key economic areas and to maintain a leading role in the national economy; its share of GDP has grown from 34% in 1990 to 39.9% in 1992. Since the 5th Plenum of the Central Committee, the agricultural cooperatives' orientation towards renewal has become more clearly defined; the autonomous role of peasant households has been confirmed. New forms of the cooperative economy have appeared. With the Land Law formally granting peasants the right to use land on a stable and durable basis, the development of the peasant household economy has been given an added boost. The individual economy and private capitalist economy have developed considerably. There have emerged a growing number of stock-holding enterprises and joint ventures with investment from sectors under various forms of ownership.

The market mechanism under management by the State and with socialist orientation is becoming the operational mechanism of the economy. The amendment of laws and the continuous renewal of mechanisms and policies related to planning, pricing, exchange rates, finance, banking, labour, remunerations, land..., have created a more favourable environment for enterprises to bring their dynamism, autonomy and self-responsibility in production and business into full play.

The State has accumulated further experience and made progress in the macro-management and administration of the national economy.

Along with economic development, greater attention has been paid to the solution of social problems and the implementation of social policies.

Thanks to the development of production and services and the relative stabilization of market prices, *the people's living conditions* in many urban and rural areas have been improved. The number of rich households has increased and that of poor households, especially those suffering from food shortage, has decreased. The people's basic needs in food and clothing have been met more adequately. The construction of houses, roads, power lines and water supply, schools and health centres in many rural and urban areas has developed. Democratic rights, especially rights in the field of economic democracy, have been promoted step by step. The people are free to do business in conformity with the law and have better assurances when they invest in production and business, thereby creating more job opportunities.

Progress has been made in the implementation of policies for the solution of the employment issue, the elimination of food shortage and reduction of poverty, policies benefiting war invalids, fallen soldiers' families and persons who rendered meritorious services to the Revolution, policies assisting the disabled and the lonely and policies helping poor pupils to get back to school.

Activities in *education* have led to clear progress in the following areas: checking the decline in educational standards; diversification of educational forms; re-arrangement of the school network; consolidation of the system of specialized schools and classes of selected students; development of secondary boarding schools for ethnic minorities. Initial results have been obtained in the socialization of education. Vocational, foreign language and informatic courses have developed in urban areas.

Science and technology have begun to fulfil their role as a motive force, linking research with the needs of society. Many

applied research subjects of practical value, especially in the fields of agriculture, fisheries, consumer goods and export goods..., have brought about economic efficiency and helped improve our technological level. The system of State-level scientific research programmes has been re-arranged with clearer focus and, for the first time, there have been programmes in social sciences and the humanities.

Cultural activities have been livelier. Cultural exchanges with foreign countries have expanded. *Literary and art works* have been richer in substance and subject matter and more diverse in form, genre and style. New developments have been made in information work, with radio and television waves reaching the majority of districts in the country, including those in mountainous areas, in the highlands and on offshore islands.

Clear progress has been recorded in *health protection and improvement of the people's physical well-being*, through primary health care, expansion of the immunization programme, control of various epidemics and social diseases and partial satisfaction of demand for essential drugs. The physical training and sport movement has recorded encouraging achievements.

The work of *population control and family planning* has achieved its set objectives; the number of people volunteering for birth control has increased rapidly.

2. The second most important achievement is that we have maintained and consolidated political stability.

Thanks to the various achievements of renewal, especially socio-economic achievements, and to the firm leadership of the

Party and the political awareness of the people and armed forces throughout the country, we have surmounted the recent political upheaval in the world. The Party's leading role has been consolidated, the effectiveness of State management has been heightened, democracy has been broadened, national defence and security have been ensured. The people's confidence in the Party, the State and the renewal process has been strengthened and the mass movement in certain economic and social fields has seen some development.

Since the 7th Congress, our Party, in the first place the Central Committee, the Political Bureau and the Secretariat, has made great efforts in *Party building work*, regarding it as a task of decisive significance for our country's revolutionary cause in general and of vital importance to our Party in particular. The Third Plenum of the Central Committee pointed out that economic development is the central task and Party building the key. It elaborated further certain concepts related to Party building for a Party in power, defined a number of matters of principle for the running and organization of the Party and laid down the tasks of further consolidating unity and cohesion throughout the Party, renovating and enhancing the Party's theoretical and ideological work and streamlining the Party's organizational system.

After more than one year's implementation, we have made certain changes and improved the understanding and responsibility of Party committees and members towards Party building work. We have taken major measures to streamline the Party's organizational system. We have re-established Party bureaus and caucuses in State bodies and people's organizations, defined the role and functions of Party grassroots organizations, established

rules governing the leadership and management of cadres and enforced the principles regarding the running and organization of the Party, especially the principle of democratic centralism, with a view to restoring order and discipline within the Party. The Party's leadership style and work-methods have been rectified and renewed to become more democratic, more collective and more principled, to ensure the close and efficient leadership of the Party while giving full rein to the initiative of State bodies and people's organizations. We have paid greater attention to the recruitment of new Party members. (The number of new recruits in 1992 increased by 3.9% compared with 1991, those in 1993 increased 30.7% compared with 1992).

The Party has continued to renew its thinking, paid more attention to ideological and theoretical work, clarified approaches and principles guiding the renewal process, and accumulated more leadership experience. Cadres have further matured, become more dynamic and better acquainted with the work of leadership and management of the renovation process.

Over the past two years, *democracy in our society has developed considerably in parallel with the building of a State under the rule of law, which is of the people, by for the people and for the people.*

An outstanding event was the promulgation of the 1992 Constitution, which constituted the timely institutionalization of the Party's line for national construction along the socialist orientation. The task of implementing the articles of the Constitution relating to the political and economic systems, to culture, education, science and technology, to security and national defence, to the fundamental rights and obligations of citizens, to-

gether with the promulgation of a series of new laws and decrees, have promoted the process of further democratizing social activity in our country.

The Homeland Front and people's organizations have attached importance to the diverse forms of achieving unity, in order to broaden the national unity bloc, motivate the people to carry out political tasks, expand social activity and care for and protect the practical interests of the people. Mass mobilization work has been given greater attention by Party committees at many levels. Coordination between State bodies on the one hand and the Front and people's organizations on the other to mobilize the people to participate in the elaboration of laws and policies, the building of the administration at different levels and the implementation of economic, social, security and defence policies has been further strengthened.

Together with the entire people, the armed forces have made great efforts to further promote renewal in the fields of *national defence and security*, reinforcing our strength and successfully executing the tasks of safeguarding the socialist homeland, ensuring political stability and maintaining our country's independence, sovereignty and territorial integrity.

We have successfully continued to implement a major strategic readjustment in national defence, reducing the ranks, consolidating the people's warfare preparedness and starting to build defence zones on the provincial and city scale. We have readjusted the strategy for safeguarding national security, renewed operational methods in line with the new situation and obtained better results in obtaining information about and combatting effectively the activities of hostile elements.

3. The third achievement is that our external relations have been expanded, our country's prestige in the world has been heightened and a favourable international environment has been created for our efforts in national construction and defence.

The 7th Congress defined the tasks required of our foreign policy: to maintain peace, broaden relations of friendship and cooperation, create favourable international conditions for national construction and defence, while actively contributing to the common struggle of the world's people for peace, national independence, democracy and social progress. The Congress emphasized the open character of our foreign policy: " Vietnam wishes to be a friend to all nations in the world community, cherishing peace, independence and development."

In the face of new developments in the world and regional situation after the 7th Congress, the Third Plenum of the Central Committee elaborated on and developed that line. We have initiated the active *expansion of our external activities* and have recorded very important results.

We have restored normal relations with the People's Republic of China and made initial steps in developing relations of friendship and cooperation. We have strengthened and consolidated our relationship of special solidarity with the Lao People's Democratic Republic, signed and strictly implemented the Paris Agreement on Cambodia and established friendly and neighbourly relations with the Kingdom of Cambodia.

We have opened a new stage in the improvement of our relations of cooperation and friendship with ASEAN countries

and with ASEAN as an organization and expanded relations with other countries in Asia and the Pacific.

We have preserved and developed our traditional relations with Cuba, India and the Democratic People's Republic of Korea.

We have maintained and promoted our existing relations of cooperation with the Russian Federation, other countries of the former Soviet Union and Eastern European countries.

We have continued to support the just cause of the people of Palestine, other Arab nations and South Africa, broadened our relations with developing countries in Asia, Africa and Latin America and contributed actively to the consolidation of the Non-Aligned Movement and the promotion of its role in the new situation.

We have improved our relations with countries in Western Europe, Northern Europe and the European Economic Community, with Japan, Canada, Australia, New Zealand and the newly-industrialized countries. We have restored normal relations with international financial and monetary organizations. Some progress has been made in the struggle to make the United States lift the embargo and normalize relations with Vietnam.

II. WEAKNESSES AND NEWLY-EMERGING ISSUES

1. The economy retains the character of a backward agricultural economy. Industry remains minor and infrastructure underdeveloped. Not much has been achieved in the construction of material and technical facilities. Accumulation within the

economy and development investment are still limited and are not given adequate attention. Although the economy has experienced a fairly high growth rate, levels of productivity, quality and efficiency remain very low. Not much reserve production capacity has been built up for use in the future, thus producing negative effects on the growth rate in the years to come.

Our capacity to control inflation remains uncertain. Budget revenues have failed to match spending while the budget deficit remains high and is tending to increase. Outstanding foreign debts and arrears are too large compared with the annual export value. Meanwhile, an awareness of the need for thrift and industry in the task of national construction has yet to become deep-rooted among officials in leadership and management roles in many branches, localities and units, who allow serious waste and appropriation of public property and indulge in spending in excess of their means.

The State-run and cooperative economies have been slow in the process of renewal and consolidation. The State-run economy has failed to play its leading role in production and circulation effectively. State-run trade has deserted many crucial fields and areas, leaving them to manipulation by private traders, to the detriment of producers and consumers alike. As regards the private economy, obstacles yet to be removed are hampering the development of production and the lack of control and guidance are resulting in widespread unlawful transactions.

The market mechanism is in its initial stage, with many elements of spontaneity. The efficiency of State management is low and yet to give full rein to the market mechanism and, at the same time, to control its many negative aspects. The legal

system is incomplete and its enforcement not strict. There remain many weaknesses and negative aspects in planning work and the activities of the financial and banking systems. The distribution system still has many irrationalities and its implementation is still casual and inconsistent. The principle of reward according to work done is yet to be observed.

2. Certain achievements have been recorded in the cultural and social fields, but many major and urgent problems remain unsolved.

Unemployment and underemployment in both urban and rural areas, especially among young people approaching working age, remains a burning issue and one of the basic causes of social evils.

Policies related to social equity have not been properly implemented. Besides people who have become rich by lawful means, there are many who have done so quickly through illicit business. Meanwhile, many families who made great sacrifices and suffered great losses during the wars of resistance, or who rendered great services to the homeland, are still beset with difficulties. The number of people living in poverty and suffering food shortage is still high. The people's living standards are still very low in many areas, especially in the highlands, in remote places, and localities inhabited by ethnic minorities.

Education has yet to overcome its weaknesses, in terms both of quality and efficiency. Many issues related to content, curriculum and teaching methods are yet to be defined in line with development requirements. Many school buildings are in a serious state, their laboratory and scientific research facilities

are deficient and backward. The poor state of the system of teacher training institutions and of the teaching staff gives rise to profound concern. Officers involved in education management at all levels have received little training and refresher training. Tuition fees are too high, adversely affecting the schooling of children of poor families.

Investment in science and technology has increased, but remains low compared with requirements (only about 1% of the State budget) and is made at random with limited results. Measures and mechanisms are yet to be devised to mobilize production units and enterprises to invest in this field. Strong scientific collectives are yet to be built and an organic co-operative relationship between scientific research units on the one hand and training and production units on the other remains to be established. There are many shortcomings in the control of technology import, leading to the import of backward technology and equipment at high prices, with long-term negative consequences.

Many matters related to culture, literature and arts are still a cause for concern: they live for the pursuit of money, unwholesome tastes, and increasingly superstitious habits; noxious cultural products are flooding the market. In composition, theory and critique, deviationist trends have emerged, such as denial of the fruits of the revolution and revolutionary culture, literature and arts, separation of literature and arts from the Party's political line, the tendency towards "commercialization", propagation of heterogeneous cultures and depraved ways of life. Such shortcomings and deviations have already been pinpointed by the Fourth Plenum of the Central Committee (7th Tenure), but finding a remedy has been slow. Guidance by Party organs and State management of cultural, literary and art activities remain weak.

Work in the health field still fails to meet the minimum needs of society. Primary health units are inadequate and many hospitals are below standard in terms of both material conditions and professional morale.

The population growth rate is still over 2.2%, constituting an obstacle to socio-economic development, the improvement of living conditions and the development of our race.

Despite great prevention efforts, social evils are on the rise, especially drug addiction, gambling, prostitution and robbery. Serious corruption and smuggling is causing strong indignation among the people and greatly eroding their confidence in the Party and the State.

3. Political stability has been maintained but many complicated factors cannot be overlooked .

Many Party and State agencies and offices cannot yet be considered pure and steadfast. Political security is still inadequate and social order yet to be secured.

Many judicious decisions related to the renewal and streamlining of the Party have yet to be implemented successfully. The Party apparatus is still over-staffed and cumbersome. Leadership style and working methods are slow to be renewed. The quality of leadership and work efficiency of many Party committees are still poor and, in some places, deviate from Party lines.

Cadre work remains a weak link. In general, cadres are inadequate to fulfil the tasks required. In many places, there remain cases of unpreparedness and confusion in the assignment of tasks

among the leadership core. There is a shortage of skilled cadres and leading specialists in Party work, State management, production and business, external economic relations and work with religious groups, ethnic minorities and women. The planning of training, supervision, placement and utilisation of cadres is still inadequate.

Party committees at different levels still under-rate the task of checking on the implementation of the Party line, Statutes and policies.

Reform of the State administrative apparatus is slow and ineffective. Cases of authoritarianism, oppression, personal retaliation, bureaucratism and disregard of law and discipline are still serious in many places.

The Homeland Front and people's organizations are still confused about the content of their work and their mode of operation. Employment is unstable and staff are inadequately trained, retrained and paid; they are also insufficiently motivated.

Among Party cadres and members and the people as a whole, ambivalence and lack of vigilance are common place. Awareness of the schemes and sabotage activities of hostile forces attempting to abolish the Party and the socialist order in our country still lacks depth. A number of Party cadres and members remain indifferent to incorrect viewpoints and to trouble-making and provocative activities. Certain others waver on the path of socialism or even want to follow another path. Meanwhile, ideological and theoretical work lacks perspicacity and timeliness and fails to offer a convincing answer to many questions posed by the world situation. Many Party cadres and members, including key leading officials, are lazy in study and fail

to try and improve their standards through self-training. Lack of cohesion in a number of Party organizations is serious.

III. OVERVIEW

Despite many shortcomings and weaknesses to be overcome, the important achievements already recorded are creating the necessary preconditions for our country to move gradually into a new stage of development, when advances will be made in the industrialization and modernization of the country. These preconditions are made up of a series of elements: material and moral, economic and political, social and cultural, domestic and external.

The reality of recent years allows us to affirm that our Party's line, decisions and major policies related to renewal are correct and that the steps taken have been appropriate. The Resolutions of the 6th and 7th Congresses have and continue to come to fruition.

A review of the reality of renewal teaches us many useful lessons. It should be asserted that the initial lessons of renewal drawn by the 7th Congress need to be put continuously into practice. These include the lesson on maintaining the socialist orientation in the renewal process, combining firmness in matters related to principle and revolutionary strategy with flexibility in tactics and sensitivity to what is new. These include the lesson on the need for all-round and harmonious renewal through appropriate steps, forms and methods. These also include lessons on maintaining Party leadership and State management of the process of developing a mixed commodity economy, on developing socialist democracy, on identifying and offering correct

solutions to newly-emerging issues in the renewal process, on summing up practice and constantly perfecting theory regarding the path of building socialism in our country.

The renewal process is a difficult undertaking without precedent. Yet, we have taken courageous steps to find ways to carry it out and have achieved very important successes. The most fundamental and decisive reason is that our Party has firmly maintained its leading role, rejected pluralism and multi-Partyism, upheld the spirit of independence, sovereignty and creativity and laid down policies which conform to the realities of Vietnam, bringing into full play the aggregate strength of the great national unity and expanding international cooperation.

The 7th Congress of our Party pointed out six characteristics of the socialist society to be built by our people. The Congress also mapped out seven basic orientations for gradually implementing our programme based on these characteristics. Such is precisely *the socialist orientation* elaborated by the Plenums of the Central Committee (7th Tenure) as a guide to practice. In any case, building socialism is a very new undertaking, which calls for much research, probing and discovery. We should, through the summing up of reality and ceaseless theoretical research, gradually be able to picture more clearly socialism and the path of building socialism in our country and shed more light on concrete models in various fields: economic, political, social and cultural. We should apply creatively and develop continually Marxism-Leninism and Ho Chi Minh thought, especially Lenin's propositions about the New Economic Policy and State capitalism, persistently search for diverse transitional forms and intermediary steps that conform to specific historical circumstances, with a view to leading our country steadily to socialism.

PART II

MAIN TASK IN THE YEARS TO COME

Our people are faced with acute challenges as well as great opportunities.

The challenges lie in: the danger of our economy falling further behind those of other countries in the region and the world due to our low starting point, our still low and unstable growth rate and the fact that we have to develop in an environment of tough competition; the possibility of our going astray from the socialist orientation if we fail to correct deviations from the path laid down for its implementation; corruption and other social evils; "peaceful evolution" schemes and activities undertaken by hostile forces.

However, we also have many fundamental advantages: our Party is unanimously united behind a correct line; our people are diligent, intelligent and patriotic, possessed of firm character and staunch revolutionary will, confident in the Party's leadership; the armed forces are absolutely loyal to our Party's and people's revolutionary cause; our successes in the process of renewal are giving the country new posture and strength; the development of a scientific and technological revolution and the tendency towards broadening development cooperation in the world and the region are providing us with possible additional resources of importance.

The overall objective set by our 7th Congress for the period up to 1995 is "to overcome difficulties and trials, ensure socio-economic stabilization and development, enhance political stability and counter negative phenomena and social injustice, leading our country out, fundamentally, of its present state of crisis". Over the past two and a half years, we have achieved an important part of this objective, especially in the economic area. In the remaining years of this term, it is necessary to *mobilize the entire Party, people and armed forces to unite totally, to exert great effort, promote the spirit of independence and self-reliance, broaden international cooperation and practise industry, thrift and integrity. Advantages must be exploited, dangers neutralised and trials overcome to successfully achieve our overall objective, to meet more rapidly the targets set in our strategy for Socio-economic Stabilization and Development up to the year 2000 and to strive for a wealthy people, strong country and an equitable and civilized society.*

The main tasks are as follows:

1. To encourage economic restructuring with a view to industrialization and modernization.

Economic and social progress, along with broadened and intensified development cooperation with other countries and international organizations, has allowed us to make further advances in national industrialization and modernization, *creating more employment, accelerating economic growth and further improving our people's material and cultural life.* This is the central task of prime importance in the coming period. Only by industrialization and modernization can we avoid the danger of falling further behind neighbouring countries, maintain political

stability and preserve our independence, sovereignty and socialist orientation for development.

We will not industrialize on the old pattern, nor will we repeat the mistakes of impatience and subjectiveness already criticized at our 6th Congress. Industrialization is, in essence, the construction of the material and technical foundation for socialism. It is not simply an increase in the speed of industrial production as a whole and of industrial production as a proportion of the economy. It is a whole process of structural change, coupled with fundamental changes in technology aimed at laying the foundation for rapid, efficient and sustainable growth throughout the entire national economy.

Industrialization must go hand in hand with modernization, combining successive technological advances with exploitation of chances to anticipate and take short cuts, so as to generate thrust in the development process in step with the advance of world science and technology.

The orientation, pace and scope of the process of industrialization and modernization must be thoroughly debated, on the basis of a firm grasp of the following major standpoints. It is necessary:

To firmly preserve our independence and sovereignty while broadening international cooperation, building an open economy internally and externally and diversifying and widening our foreign relations. To combine economic development with national defence and security and link economic growth with social progress and justice, cultural development and environmental protection.

To persevere with a strongly export-oriented strategy and, at the same time, substitute imports with products efficiently made at home, exploiting the comparative advantages of the whole country as well as of each region and branch in each field and each period, constantly enhancing our competitiveness in domestic, regional and international markets.

To use socio-economic efficiency as the basic criterion in determining development orientation and selecting investment and technology projects.

To make use of the strong points of the whole country as well as of each region and branch; to allocate appropriate resources to key fields and areas so as to produce the most rapid and efficient results and, at the same time, to pay adequate attention to adopting realistic policies, mechanisms and solutions to meet the basic needs of areas faced with difficulties; to promote development cooperation and ensure, for all regions and population strata, a share and stake in development.

To pay attention to the development of small and medium sized businesses requiring little capital investment which can be rapidly recovered, following the precept of using income from short term projects to finance longer term projects; to build a number of essential and efficient large-scale projects.

To invest intensively in maximising the use of existing production potential and technology, focusing on processes of decisive significance to the quality and competitiveness of products; combine traditional techniques with modern technology, ensuring that imported technology is of an advanced standard and giving priority to non-capital intensive technology which creates many jobs, directly and indirectly.

From now to the year 2000, great attention must be paid to the industrialization of agriculture and the rural economy. We must effect a comprehensive development of agriculture, forestry and fisheries in close association with the development of industrial processing of agricultural, forest and aquatic products and the production of consumer and export goods. Trade, tourism and services in both urban and rural areas must be further expanded and external economic activities must be stepped up. We must carry out renewal, expansion, upgrading and construction of key, selected stumbling blocks in the material infrastructure. We must build, selectively, a number of heavy industrial projects in key branches which are of urgent necessity and which, in terms of their capital, technology and markets, can become quickly operational and highly efficient. We must promote research and development in science and technology, education and training, health care and environmental protection, in order to meet development needs in the short and long term.

While making the most of our immediate comparative advantages of cheap labour, abundant natural resources and favourable geographical location, we need to concentrate on forecasting and researching into development trends in the region and the world as well as into the strategies and policies of our partners and competitors. We must discover new opportunities and new comparative advantages, foster and maximise our most decisive resource: the Vietnamese people, so as to determine the direction for long-term development and prepare the necessary conditions for development along that direction.

Industrialization and modernization call for a great deal of capital from different sources as well as efficient use of capital. Domestic capital is of decisive significance; foreign capital is important.

To maintain an average annual growth rate of no less than 8%, we must quickly raise our total investment capital to over 20% of the annual GDP in the next few years and even higher in succeeding years, coupled with efforts to increase investment efficiency. This requires not only great effort but also appropriate decisions and policies to encourage the entire society to strive for thriftiness in production and consumption so as to amass capital for development investment, especially investment in the production of material wealth.

Intensive investment from the State budget is of decisive significance for the growth of the whole economy. We should further increase this source of investment by raising revenue levels as a proportion of GDP, attracting aid and preferential credits from other governments and international financial and monetary institutions, exercising strict inventory control and management, allocating and using existing public property effectively and cutting down on appropriation and wastage.

Capital allocated from the Budget should be invested mostly in the construction of socio-economic infrastructure, a number of new key industrial enterprises and a number of processing units for agricultural, forest and aquatic products and for export goods and services. A part should be allocated to financing job-creation projects, especially those related to the greening of infertile lands and barren hills and fishing, especially on the high seas.

The State will fund only those socio-economic infrastructure projects where no direct return on capital is possible. The remaining capital should be allocated in the form of Government credits to be repaid by the users.

It is necessary to renew the mechanism for managing capital construction projects in order to check the negative practices of waste and appropriation of public capital, especially during planning, determination of unit prices and the final checking of construction projects. We must seek help from prestigious domestic and foreign audit and evaluation firms to control the quality and check the prices of imported materials and equipment. Each project using investment capital repayable to the State must have someone fully responsible for complete and timely return.

We must make full use of all possibilities that the people and businesses in all economic sectors have to save and invest in various forms, so that all potential will be tapped and all capital will yield profits, helping to gradually increase the ratio of these capital sources to the total investment capital of society.

To broaden the scope and increase the efficiency of our investment, we should revise and perfect essential *macro policies*. Above all, we need:

To stabilize the macro-economic environment, pursue a consistent, multi-sector economic policy and protect all legitimate forms of ownership and the right to free and lawful enterprise; promulgate a law on domestic investment and other required regulations and procedures to encourage and support efforts to develop investment.

To renew national financial policies and handle effectively the financial relationship between the State on the one hand and business and people on the other, satisfactorily resolving the need both for channeling revenue to the national budget and generating self-financed investment from each business and individ-

ual, ensuring the interests of investors and creating impetus for the expansion of the scale of production and business.

To form and develop a capital market the core of which will be composed of investment and commercial banks, financial firms and insurance companies. To continue reforming the banking system, ensuring compliance with the principles of the market mechanism and international practices in order to efficiently mobilise capital and extend loans to meet the increasing needs of the national economy. To develop various forms of joint-stock company and, step by step, expand the issuance and circulation of shares and government and treasury bonds thereby laying the foundation for the formation of a stock market.

To revise and adjust mechanisms and policies for the strict enforcement of thriftiness in the activities of all offices of the Party, State, Armed Forces, Public Security, mass organizations, business and the population as a whole, in order to pool capital for development investment.

Along with tapping all domestic resources, it is necessary to create conditions which will attract more plentiful and more productive foreign capital and technology. Broad policies should be adopted to strongly attract foreign investment. Mechanisms and defined responsibilities should be established for the borrowing and repayment of foreign loans so as to ensure their efficient use and avoid the accumulation of arrears. We should undertake zoning, especially of key areas such as export processing zones, special economic zones and industrial estates. We should formulate investment projects and weigh up the order of priority to be given to projects requiring foreign investment. We should ensure that the location of important project is based on

sound scientific judgement and mistakes, the effects of which may be long-lasting, are avoided. We should also continue to improve the investment environment, including legal and institutional matters, and the working and living conditions of foreign investors.

Efforts to encourage direct foreign investment must be made within a concerted development strategy and managerial mechanism to ensure State sovereignty and capacity to control and orient the process of socio-economic development. We should build a mechanism for State management of the implementation of foreign-investment and other projects which have been completed and put into operation. Along with diversification in the forms of investment, we should gradually increase Vietnam's share in joint ventures.

The scientific and technological sectors should focus their research on the rapid application of scientific and technical advances to production and business, meet the need for restructuring the economy through industrialization and modernization, fulfil the requirements for re-equipping the national economy, upgrade existing technology, modernize traditional techniques and absorb new technology in an appropriate manner. They should contribute to the strict control and evaluation of imported technology. Attention should be paid to developments in electronics, informatics, biotechnology and new materials.

Through implementation of the renewal process, keeping in close touch with everyday life and timely discovery and improvement on initiatives made by the people, practical research work should be stepped up and more light shed on problems in our strategy for industrialization and modernization.

2. To put into consistent effect policies for the development of a mixed economy, creating greater impetus and a more favourable environment for economic sectors and businesses of all forms to achieve rapid and efficient development.

Continued adjustment of *State-run businesses*, enabling them to operate efficiently and to play a leading role in the national economy, is a task of paramount importance and urgency. This role includes paving the way and supporting other economic sectors to develop and providing impetus for rapid and sustainable economic development, thus serving as an important instrument of material strength for the State to regulate and guide the market economy to develop along the socialist orientation.

A distinction should be made between State owned and State-run businesses. State-owned assets and capital should be used in many different forms, both to ensure a high level of socio-economic efficiency and to strengthen the State's capacity to promote and exert direct control over economic activity, for example through investment in State-run business (with 100% State capital or with the State holding a controlling share), allocation of long-term usage rights (land, forest areas, etc.), leases and concessions (of mines), joint ventures and through buying stocks and shares from businesses in other economic sectors.

State-run businesses should be concentrated in those industries, areas and services such as socio-economic infrastructure, the financial-banking system, insurance and a number of key production and service enterprises, thus ensuring efficient development throughout the entire economy. This does not preclude the participation of other economic sectors in these fields, at different levels and in different forms. By following this line,

we will be able not only to cut down the number of State-run businesses which no longer require State-run status but also consolidate, expand and build those that do.

We should consolidate and develop State-run enterprises in agriculture, forestry and fisheries through joint ventures and co-operation with other types of business, so as to bring into full play their role as regional centres of industry and services (especially processing industries), of science and technology, and of cultural and social activities.

We should streamline and strengthen the system of State-run commerce, maintain tight control over import and export and the supply of key materials, control the wholesale trade, maintain a necessary share in the retail trade and, as in other economic sectors, strive for the stability and healthy development of the domestic market. We should ensure unhindered circulation of goods and spur on the development of production so as to protect the interests of both producers and consumers.

We should effect fundamental changes in the organization and managerial mechanisms of State-run enterprises so as to ensure both autonomy within the market mechanism and control by the State. The root cause of inefficiency, negative practices and wastefulness in many State-run enterprises is the absence of direct ownership of public property, with no one having clearly defined responsibilities or clear interest in the effective use of such property. Workers and employees lack both the firm and constant motivation required to associate themselves with the development of their enterprises and adequate material authority and organizational strength to take part in the enterprises' business decisions, thus preventing them from checking, at their very

roots, corruption and loss and damage of public property. We have to find, by whatever means, a solution to this state of affairs.

It is necessary to carry out equitization in forms appropriate to the character of each field of production and business in order to create more sources of capital, generate greater motivation to prevent negative practices and encourage State-run businesses to work more efficiently.

A series of firm measures must be taken to sell a portion of shares to local workers and employees and to distribute profits according to basic wages and shares.

Trial sales must be conducted of the stocks and shares of a number of State-run enterprises to outside organizations and individuals.

Boards of Directors should be set up, on a shareholding basis, composed of members representing ownership by the State, local workers and others. Ordinances and criteria for the selection of an executive director by the Board of Directors must be defined.

Forms of contractual work in State-run enterprises must be perfected and applied on a broad basis.

The State should help, encourage and implement, through a series of firm steps that conform with the requirements of economic-development, the renovation of enterprise unions and general companies, so as to move towards the formation of business groups that can overcome administrative practices and the obstacle of numerous intermediaries.

The system of ministries and administrative levels that own and manage enterprises and the distinction between centrally and locally run enterprises must be gradually abolished.

State agencies of all branches and at all levels must help State-run enterprises work efficiently, especially in their handling of questions related to capital, technology, marketing, personnel training and employment. For those enterprises that serve public socio-economic interests but produce low levels of direct profit or even make losses, the State should adopt appropriate preferential policies which, however, must not encourage dependency. Rules should be enforced to ensure State control in its area of responsibility and, at the same time, to overcome the practice of casual inspections which have a bad effect on enterprises. State-run enterprises operating in non-essential fields and services which have suffered prolonged losses without any chance of being bailed out, should be dealt with once and for all by the measures set by the Second Plenum of the party Central Committee (7th Tenure).

We should renovate the cooperative economy and promote the autonomous role of the household economy of co-op members. The State should help, support and guide the development of all forms of cooperative enterprise in different branches and fields, on the principles of free will, mutual benefit, democratic management and integration of the strength of the collectives with that of co-op farmer households.

We should renovate cooperatives and develop cooperative economic forms in agriculture, forestry and fisheries in line with the Resolution of the Fifth Plenum of the Central Committee (7th Tenure), and deal once and for all with cooperatives which have stagnated over a long period.

We should continue to study, renew and promote different forms of the cooperative economy in small industries and handicrafts, credit, commerce and services. Cooperatives can do general business in different trades and geographical areas without being restricted by administrative boundaries. Beside shares contributed by members and undivided collective assets, cooperatives can mobilize capital and manpower from outside their membership. Cooperative members are entitled to income from their cooperatives, in proportion to their contributions in labour and stocks. Cooperatives will have different levels of collectivization of the means of production, depending on production and business needs and the aspirations and interests of their members.

The individual and small-owner economy, predominantly in the form of household businesses, now forms an important part of the economy, with great potential and of long-term importance. We should adopt policies to support and assist this sector in terms of capital, technology, market information, etc., helping their businesses to be more productive, to create more jobs and contribute to national development. At the same time, we should guide and motivate the individual economy to take part gradually and voluntarily in the cooperative economy.

The private capitalist economy at home and abroad is growing day by day and has made positive contributions to the cause of national construction. The State should: continue to encourage the development of the private capitalist economy in industries and fields where its activities are not banned by law; protect the legal ownership rights and interests of private business people; join them in investing development capital on the basis of mutual agreement; encourage owners of private enterprises to set aside stocks for preferential sale to their own workers and assist and

guide them in observing laws and overcoming difficulties in their businesses. The State should also have specific regulations and systems to implement its management functions relating to businesses with direct foreign investment.

Along with State audit and control, there should be grass-roots units of the Party, trade unions and other people's socio-political organizations within private enterprises and within joint and cooperative ventures between domestic partners or between domestic and foreign partners, to encourage efficient production and business activity, to protect the legitimate interests of employees and fight against unlawful actions.

Appropriate conditions within a legal environment should be created to allow lawful competition and voluntary and mutually beneficial cooperation and joint ventures between enterprises, without the restriction of boundaries set up by supervisory and regional authorities; large State-run enterprises should form the core of business groups capable of competing on the home market and overseas.

3. To concertedlly build an integrated market mechanism under State management and with socialist orientation.

We should continue to build new, integrated economic institutions, persevere in the process of shifting to the market mechanism along with upgrading the State's managerial capabilities.

We should perfect mechanisms and policies to create the necessary conditions for the market mechanism to operate efficiently: ensure the autonomy of business entities; allow prices to be set chiefly by the market; remember that market signals

constitute a very important basis on which to allocate resources to different areas of production and business. We should encourage lawful and healthy competition, restrain monopoly and allow business people to make profit legally...

The State should directly set the prices for only a small number of goods and services which either have special socio-economic significance or the supply of which is very monopolistic, but this too cannot avoid market regulation. The State should set correct prices for electricity, water, petrol, fuel, transportation etc.; abolish subsidies and regulate incomes appropriately, creating conditions for expanded production and reduction of waste in consumption. It should observe the principle of truly positive profit, closely follow the fluctuation in the inflation rate and create favourable conditions for both the attraction of capital and the granting of development loans. The exchange rate should be tightly regulated to ensure that it is realistic, relatively stable and not too rigid, in order to help promote exports and control imports. A rational wage structure should be formed. A policy of selective subsidies for farm produce and export goods should be adopted to provide appropriate protection for domestic production and for the interests of both the producer and the consumer.

Integrated markets in goods and services, labour, capital, technology, real estate, etc. should be formed.

We should enhance State macro-economic management to give orientation and direction to the development of the whole economy and society, creating an economic environment and legal framework suitable for production and business activities, which would promote positive aspects, prevent and control spon-

taneous, negative effects, and overcome inherent defects in the market mechanism. The market can thereby become a real and important instrument for the more effective allocation and use of resources, for the distribution and redistribution of national income, for safeguarding the relationship between accumulation and consumption and for regulating the interests of different economic sectors and different population strata, in order to meet the needs of accelerated development, greater stability and higher standards of social justice.

The State's macro-economic management should cover the entire national economy including all economic sectors, not the State sector alone. Macro-economic management should be further concentrated in the hands of the Government, along with the broadening of responsibility and authority of branches and localities to deal with questions which can be more efficiently handled at their level. The business autonomy of enterprises should be ensured.

Specialized ministries should concentrate efforts to fulfil successfully their role as strategic planners and policy makers for the development of their branches, and provide guidance, support, inspection and control for enterprises of all sectors and in all geographic areas, in line with their function as the State managers of their specific economic-technological areas. The managerial role of the general ministries over their respective branches and fields should be strengthened to ensure that all socio-economic activity remains under the State's effective macro-economic management.

All levels of the administration must discharge their State management functions in their respective areas, with regard to

all enterprises of all economic sectors, without distinguishing between central and local economies.

The legal system should be perfected to ensure that the laws are strictly observed.

The advisory role of the planning agencies should be consolidated and strengthened, to help them successfully perform their delineation and planning functions, including: calculating and maintaining macro-economic balance and implementing designs for the restructuring of investment and the economy. They can thereby serve as centres for the regulation and coordination of resources, mobilized at home and abroad, to ensure their effective utilization within the process of achieving socio-economic objectives.

We should continue the profound and comprehensive reform of the financial-monetary system.

The following economic relations should be handled well so as to increase the accumulation of capital for development investment and to ensure unified management of national finances: relations between accumulation and consumption, between State finances and the finances of business and the population, between central and local budgets, between statutory spending and spending on development investment and national defence and security, between mobilization of domestic capital and mobilization of foreign capital, between economically meeting immediate requirements and the need for long-term development investment and between meeting the need for enterprise autonomy and strict, State inventory and control in financial matters.

We should keep the budget deficit at below 5% of GDP, increase revenues to cover expenditure and not issue money to make up for the budget deficit, thereby eventually achieving a balanced budget.

We should reform the accounting system and expand both State and private audit activities.

The National Bank is responsible for shaping and implementing monetary policy to ensure the supply of the necessary amount of money for smooth monetary circulation, for controlling inflation and, in coordination with financial, commercial and pricing agencies, for maintaining increases in the annual price index at single digit levels. We should strive to balance our international payments and to increase our foreign exchange reserves.

The banking system has to successfully perform its functions of effective capital mobilization and lending, to meet the need for investment in economic development, and of serving as the centre for the settlement of payments and for monetary circulation for the whole of society.

We should improve the mechanisms for managing foreign exchange, creating conditions which would allow the Vietnamese dong to become freely convertible and the sole instrument for payment throughout the territory of Vietnam.

4. To care for cultural and social matters

The guiding thought throughout Party and State decisions and policies in the cultural and social fields is to care for, foster and promote the human factor as both the motive force and ob-

jective of the revolution. Outstanding problems in this work now are employment, social justice, improvement of the people's intellectual level, creation of a more wholesome society and the preservation and promotion of the national cultural identity.

In order to *create jobs*, it is important for the State and the people to economise, so as to invest in development and successfully implement their socio-economic strategy. All economic sectors, individual citizens and investors at home and abroad should be encouraged to expand business and industry and create jobs for working people, so as to rapidly reduce the number of people who are unemployed or under-employed. External economic relations should be broadened and the export of labour stepped up.

Work-training classes should be set up for young people to help them improve their knowledge and skills. Superfluous staff in administrative, service or economic units should be retrained or taught new vocations, given assistance to raise capital and guidance in production and business methods, or helped to find new employment. The activities of consultants and employment agents should be promoted.

In private, capitalist enterprises, the law should give protection to the legitimate interests of both employees and employers. Laws on labour, wages, insurance, tax, etc., have been or will be promulgated with a view to encouraging development investment, reducing social injustice and preventing illegal business practices. The regulations, rules and disciplinary codes adopted by enterprises must not contravene the law.

Economic growth must be associated with social progress and justice in every single step made in the development process.

Social justice must be achieved through reasonable distribution of both the means and results of production as well as through the provision of suitable conditions for the development of the capabilities of all members of the community.

We should apply the principle that whoever works more efficiently and makes a greater contribution should earn more and vice versa. We should oppose egalitarianism, reliance and dependence. Rewards should be distributed predominantly according to work done so that talent can be encouraged and rewarded appropriately; at the same time, they should also be distributed according to the level of capital contributed to production and business.

Encouragement of the lawful accumulation of wealth should be coupled with efforts to reduce poverty. We should consider the fact that a portion of the population will grow rich before others as a necessity for development. At the same time, we should adopt rational, preferential policies on credit, tax and vocational training to create conditions which enable the poor to achieve a position where they can make ends meet and eventually become well-off. Areas which have developed and grown rich ahead of others should join with the State to assist and encourage poor and less developed areas. The rich should be encouraged to join the State in assisting the poor in terms of capital, tools, materials and by passing on their experience and business methods.

We should set up a national fund to show gratitude to those who have given meritorious services to the country.

We should adopt rational, regulatory policies in regard to the rich and encourage enterprises, organizations and individuals

to voluntarily take part in humanitarian, fraternal and charitable activities to assist victims of war and natural disasters, and the handicapped, elderly, helpless and disabled.

We should promote the responsibility of each and every citizen to solve their own and their families' problems and at the same time, strengthen the responsibilities held in common by the whole of society, on the strength of our nation's humanitarian tradition.

We should actively implement the objectives and solutions, set out in the Resolution of the Fourth Plenum of the Central Committee (7th Tenure), on education and training, culture, literature, art, public health and activities in the field of population and family planning.

We must strive to achieve, within several years, considerable changes in *education*, so that continued improvement can be made in the performance of its function of improving the people's intellectual standard, developing human resources and fostering talents. In the immediate future, primary education must be made universal throughout the whole country, and junior high education where it is possible. We should adopt tuition fee exemption and reduction policies and provide proper assistance to ensure education for children of needy families, especially those living in remote and mountainous areas and in former revolutionary bases. The existing system of boarding schools for pupils of ethnic minorities should be consolidated and improved and a number of new ones built. The work training system should be reorganized; the system of teachers' training colleges should be consolidated and improved; the system of higher education should be reorganized along the lines of associating academic

with vocational training, theory with practice, and training and research with production; we should set up a system of national universities. New objectives, curriculum contents and outlines and educational methods, appropriate to the needs of national development, should be drawn up. We should work out plans for the further training and retraining of our teaching staff and turn preferential treatment for teachers into a matter of policy. State management of education and training should be strengthened.

Attention should be paid to building an *advanced culture*, rich in national character. The need for cultured lifestyle, behaviour and morality should be instilled in all. Our national culture will be developed along with cultural exchanges with foreign countries in order, on the one hand, to preserve and promote our national cultural identity and, on the other, to absorb the essence of world culture. We should resolutely fight against all outbreaks and acts of violence, half-breed anti-culture, immorality and inhumanity. We should inherit and promote our tradition of humanity, fraternity, morality and fine customs while opposing outdated habits, superstition and other social evils.

We should consolidate and improve standards in culture and art. Democracy and freedom in cultural creation and activity should be ensured along with promotion of the sense of responsibility of artists and writers toward the public and the nation. We should foster talent and encourage the creation of wholesome works of high ideological and artistic value. We will strive to produce works of art in large number that encourage the process of renovation and praise the positive side. At the same time, we will resolutely criticize negativity and deviant tendencies and combat all hostile allegations and acts. We should develop non-professional cultural activities and encourage a mass cultural

movement at the grassroots level. Means of communication should be strengthened to enable the timely dissemination of information on guidelines, policies and laws, to transmit cultural, literary and artistic values to every family, to teach what is good, to improve the population's intellectual and aesthetic level and to check the intrusion of poisonous cultural influences and reactionary and decadent publications.

We should strengthen Party leadership and adjust and improve the efficiency of State management in the field of cultural, literary and artistic activity, amend essential policies, laws and regulations and ensure their strict implementation.

We should pay proper *attention to health care provision for the people*, especially primary health care, and regard disease prevention as a positive step forward. We should restore, consolidate and expand our grassroot network of clinics at population centres and set up mobile medical teams for places without clinics. Step by step, we should re-equip and upgrade our hospitals and build a number of leading medical centres and specialized medical schools. We should ensure proper implementation of the system of health insurance and adopt policies to reduce or waive medical fees for beneficiaries of welfare policies and the poor. We should reduce the incidence of infant malnutrition, malaria, goiter and leprosy and resolutely check the spread of drug addiction, prostitution and AIDS. Active measures should be taken to bring down the population growth rate to under 2% in the next two or three years, especially in areas where birth rates are high.

We should widely develop *the people's physical training and sports movement* throughout the country, especially among

youth and students, and gradually set up a system of high level, professional sports.

The fight against corruption is a burning and pressing issue at present. It must be carried out thoroughly and resolutely throughout the whole system, at all levels and in all branches, from the centre down to the grassroots. The following main measures should be implemented. It is necessary:

To revise, amend and supplement the mechanisms, policies, laws and working statutes governing all State bodies and employees. To remove, at all costs, loopholes in the management system. To ensure that someone is personally responsible for the protection, utilization and up-grading of all public assets, so that when an act of corruption occurs, it can be discovered and dealt with promptly.

To renew and strengthen work in book-keeping and accounting. To make wide use of consultancy, evaluation and audit services.

To streamline the apparatus, cut down on expenditure which is not really necessary and ensure a decent salary for the wage-earner.

To consolidate the education and revolutionary virtue of cadres and Party members. The head of any service, locality or unit must take responsibility for cases of corruption that take place within the domain for which he or she is directly responsible. To heighten the sense of leadership responsibility of grassroots Party organizations and organize and stimulate Party members and others to fight against corruption.

To ensure control, inspection and supervision measures are carried out thoroughly by authorized offices and people's organizations so that those engaged in corruption can be promptly exposed. To deal in a timely, just and lawful manner with cases of corruption, especially when serious, irrespective of the position and rank of those involved.

In the struggle against social evils, the fight against crime must be combined with crime prevention, importance must be attached to preventive measures and a national crime-prevention programme with a separate budget must be set up. We must strictly enforce the punishment of criminals as provided under the law. On the other hand, we must make active efforts to provide education and vocational training, organize production activities and improve prison conditions so as to reform and re-educate them and create conditions for them to return to an honest life. All acts of illtreatment and oppression of detainees must be prevented and severely punished.

5. To ensure national defence and security

While concentrating our effort on national construction, we will not for a moment neglect the task of defending our Homeland and our national independence, sovereignty, territorial integrity and national security and of maintaining our socio-political stability and socialist development orientation.

We must fully understand and continue to fulfil well our *overall task of national defence and security* in strict compliance with the guidelines laid down by the Third Plenum of the Central Committee. We will carry out a national, comprehensive and

long-term struggle to defeat all schemes and acts of "peaceful evolution", sedition and subversion.

In the coming years, we should concentrate our efforts on the following major tasks. It is necessary:

- To heighten our revolutionary vigilance, strengthen our political bases and the movement for the defence of national security and build a people's security preparedness closely linked to the national defence preparedness.

- To build strong defence zones and people's lines of defence and security, strengthen our defence organizations in key areas and firmly defend our territorial integrity and national sovereignty and security.

- To firmly defend our internal security, protect Party and Government bodies and detect and prevent acts of sabotage.

- To strengthen State management of the maintenance of social order and the fight against crime. We will build a people's movement for the defence of national security, social order and safety.

- To concentrate efforts on building up the people's army and public security force politically, ideologically and organizationally, maintaining their technical equipment and carrying out step by step modernization of selected pieces of essential equipment. To invest in the construction of our defence industry. To improve the material and cultural life of the people's armed forces so as to make them strong and firm enough to fulfil their tasks.

- To strengthen Party leadership and State management in national defence and security work; promptly institutionalize policies and decisions on building the foundation for national defence and security; quickly organize, consolidate and upgrade specialized agencies and cadres and help all levels and branches carry out national defence and security tasks in accordance with their functions. The Ministry of National Defence and the Ministry of the Interior are to perform fully their State management functions in the field of national defence and security in accordance with the responsibilities and authority assigned to them.

- To perfect the system of laws concerning national defence (laws on national defence, national security, borders and territorial waters, amendments to the law on compulsory military service and other legal instruments). To effectively enforce laws and regulations already promulgated.

6. To continue broadening external relations

Building on the results already achieved in our external relations, we will continue to accelerate the implementation of our foreign policy of independence, sovereignty and openness, increasing and diversifying our relations, maximising areas of agreement, minimising areas of disagreement and creating favourable conditions for national construction and defence, while actively contributing to the common struggle of the world people for peace, national independence, democracy and social progress.

We will broaden relations of friendship and cooperation with other countries on the principles of equality, mutual benefit, peaceful coexistence, respect for each other's independence, sov-

ereignty and territorial integrity, settling disputes by negotiation, and maintaining stability, security and development.

We will enhance our relations with international organizations and actively take part in international efforts to protect the environment, fight dangerous diseases, overcome poverty and famine, etc.

We should broaden our Party's and people's external relations, to win the broad sympathy and support of organizations and peoples of other countries for our national construction and defence.

We should be fully aware of the difficulties and challenges as well as the advantages and opportunities facing us, closely follow the complicated developments in international relations in order to take appropriate decisions which are firmly principled but also dynamic and flexible. We should strengthen Party leadership and State management in the conduct of external activities and ensure effective coordination among the branches concerned. Attention should be paid to the training of qualified and competent cadres.

7. To build a Vietnamese State under the rule of law, which is of the people, by the people and for the people.

We should continue to build and gradually perfect a Vietnamese State under the rule of law. This is a State of the people, by the people and for the people, which manages all aspects of social life through legal means and develops the country in the direction of socialism. The Vietnamese State under the rule of law is based on an ever stronger and broader bloc of great national unity, with the alliance of the working class, the peasantry and the intelligentsia as a foundation, and under the leadership of our Party.

We should exercise socialist democracy and strongly promote the people's right to mastery, considering it a task of prime importance and also the essential virtue of our State. We must put into practice President Ho Chi Minh's teaching: "The Government's offices from the national to the village level are all servants of the people; they are to shoulder the common work for the people, not to oppress them." The State must keep in close touch with the people, respect them, listen to their opinions and submit to their supervision. We must resolutely oppose all manifestations of bureaucratism, authoritarianism, corruption, wastefulness and abuse of power and privilege.

We must guarantee human rights and the fundamental rights of citizens laid down in the Constitution, such as the right to ownership, the right of access to the means of production, the right to conduct business in accordance with law, the right to discuss, debate and express one's opinion on matters concerning national construction and the right to practise or not to practise a religion.

We should give serious consideration to and resolve complaints and deunciations by citizens. We should arrange for the people to take part in the country's affairs and in the formulation of Party policies and decisions and important draft laws of the State. We should improve the electoral procedure, and through democratic election and selection, place virtuous and qualified people into representative bodies and the management apparatus of the State.

We should establish social order and discipline and oppose all manifestations of democratic extremism. We must use dictatorial methods against all elements that act against the Homeland and encroach upon the interests of the people.

We should step up and improve legislative activity, build a uniform and consistent legal system and institutionalize the Party line of renovation in all aspects of social life.

We should consolidate legal education, raise the public's knowledge and respect for the law and the idea of living and working in accordance with the Constitution and law. We should ensure strict, consistent and equitable enforcement of the law.

We should continue to streamline and renew the State apparatus, ensure the exercise of unitary power, clearly define responsibilities and promote the effectiveness of all three powers: legislative, executive and judicial. We will work according to the principle of democratic centralism.

We should improve the work of the National Assembly to help it better perform its functions as a legislative and supervisory body. We should increase the number of full-time deputies to the National Assembly.

We should continue to renew and strengthen the executive in terms of organization, staff and operational mechanism. We should give full rein to the managing role of the executive. We should define the role and responsibility of the local authorities on the basis of a unified legal system and centralized Government management.

We should continue to perfect the organization and renew the operation of the judicial system. We should rationally delineate the competence of the various juridical bodies, gradually set up new juridical organs according to the requirements of socio-economic development and ensure that any breach of the

law shall be tried judiciously, promptly and in accordance with the law.

We should work out civil service regulations, including regulations on the responsibilities of public service. We should retrain cadres and personnel in the State apparatus so as to guarantee administrative continuity.

8. To renew and streamline the Party and consolidate the relationship between the Party and the people

We should continue to give careful consideration to the viewpoints expressed at the 3rd Plenum of the Central Committee and carry out the policies and measures it laid down. We must pay special attention to:

- Strengthening political and ideological work and guaranteeing political and ideological unity among the entire Party. We should regularly re-educate all Party cadres and members in the viewpoints and line of the Party, improve their awareness and enhance their determination to persevere on the socialist Path, creatively apply and develop Marxism-Leninism, Ho Chi Minh thought and the intellectual currents of our time, quickly perceive what is new and correctly handle problems arising from reality.

Theoretical work must first of all focus on the urgent issues that need to be solved and, through research and review of reality, provide a scientific basis for solutions to problems cropping up in the renewal process.

We should correct wrong viewpoints, vague concepts and ideological indecision; oppose all manifestations of opportunism,

rightist deviation, dogmatism and conservatism. Party cadres and members must scrupulously abide by Party resolutions and directives and State laws and refrain from propagating viewpoints contrary to the Party's line.

- *Strengthening intra-Party cohesion and unity* We must implement the principles of Party organization and activity, especially the principles of democratic centralism, collective leadership and individual responsibility. We must be trained in revolutionary virtue and healthy living, and oppose wastefulness, corruption and unlawful business. We must oppose individualism, indiscipline, arbitrariness, autocracy, parochialism and factionalism. We should attach importance to the protection of the Party. We must keep the secrets of the Party and the nation and oppose all plots and acts of the enemy aimed at subverting cadres. We must increase control over the implementation of the Party line, policies and Statutes.

- *Broadening the bloc of national unity, consolidating the close relationship between the Party and the people.* Imbued with Uncle Ho's ideas, we should build up the broad unity of all Vietnamese who stand for renewal and national independence, who strive to release the country from poverty and backwardness and eventually to make the people prosperous, the country strong and the society equitable and civilized. With the great national cause as the common denominator, and accepting a variety of views consistent with the common interest, we must strive together to wipe out prejudice and hatred, and look forward to the future. This idea of great unity must be reflected in every decision, policy and law of the State.

We should perfect policies that ensure the interests and promote the role of workers, peasants and intellectuals. We should foster and promote the power of youth and women. We should supplement and carry out fully Party and State policies towards ethnic minorities, religious believers, business circles and the community of overseas Vietnamese.

The Party Committees, caucuses and boards must, after thorough consideration, carry out strictly the resolutions of the Central Committee and the Political Bureau concerning the work of the national united front and people's organizations. They must establish a system of coordination between government offices and people's organizations, renew the content, mode and style of work of the Front and people's organizations.

- *Renewing personnel work.* Above all, the concept and method of evaluating, selecting, utilising and assigning cadres, especially key cadres must be renewed. We should train and foster talented people and assign them to important positions and create a favourable environment for all the virtuous and talented, both Party and non-Party members, those living at home and abroad, to contribute their utmost to the national cause. We should rejuvenate the cadre membership, pay attention to women and ethnic minority cadres and oppose all manifestations of narrow-mindedness, departmentalism, prejudice and discrimination.

The appraisal, selection and utilisation of leading cadres at different levels must be founded on the basic norms set out by the Resolution of the Third Plenum of the Central Committee. In particular, these cadres must have political acumen, be loyal to the Party's objectives and ideals, be virtuous, observant of

ethical norms and healthy in lifestyle, truly industrious, thrifty, honest and upright, public-minded and selfless. They must not be involved in corruption and must resolutely combat it. They must be observant of organizational and disciplinary rules, have close contact with the masses and have ability and qualities equal to their tasks.

We should democratize personnel work. Cadres should be evaluated by the Party Committees directly in charge of them and concerned government offices, according to strict, democratic, careful and unbiased procedures. Each cadre must be informed of the judgment passed on him by the Party Committee and his chief and has the right to make his own comments on this judgment.

We should conduct a survey and re-appraisal of the present contingent of cadres in order to prepare a plan for the period from now to the year 2000 which will meet requirements of quality, quantity and structure.

We should proceed with the planned training and retraining of cadres. Training should be based on the standards set for each job title and on the needs of cadres. We should renew the curriculum and teaching and learning methods and make appropriate investment in the training of Party cadres.

Party members, especially Party cadres at different levels, must constantly study to enrich their knowledge, improve their standard and develop revolutionary ethics and virtue.

We should urgently prepare cadres for the 8th Congress and the years thereafter.

We should continue to study and improve the system of policies and regulations on remuneration of cadres.

- Renewing thinking, raising the scientific character of organizational work, continuing to perfect the organizational system. The Party apparatus should be compact, effective and efficient. We should continue to study and review organizational models, clarify the functions, tasks and leadership methods of the Party at all levels and branches and the different forms of organization at grassroots level, and from there plan to perfect the organization and rationalize the apparatus of the Party, the State and people's organizations.

Renewing the leadership methods of the Party. Ours is a Party in power. It sets out the line and policies for national construction and defence and firmly controls the organization and cadres to ensure successful implementation of the Party's line. Our Party exerts its leadership on the principles of democratic centralism, collective leadership and individual responsibility. It does so through Party organizations and not just through individual Party members, through collective decisions and through monitoring, guidance and inspection, encouraging the good and correcting the wrong, with the aim of strongly promoting the role and efficiency of the State. It does not seek to take over the State's management role.

- Raising the militancy of the Party members while consolidating the Party organization at grassroots level. At present, political firmness and loyalty to the Party's ideology and the interests of the working people and the nation constitute the first quality of a Party member. The Party Statutes have defined the standards and tasks of a Party member. Every Party member

must strictly observe them, set an example and strive to become an excellent producer, worker and manager by fulfilling the tasks assigned. The Party member must constantly study to improve his working standard and capacity, be organised and disciplined, preserve intra-Party unity and scrupulously abide by State laws.

We should take prompt and severe disciplinary measures against those Party members who show signs of waywardness or who violate Party discipline and State law. We should continue to expel from the ranks those Party members who no longer qualify.

We should carry out properly the task of broadening the Party's membership, especially among youth and women, and in those places with few or no Party members. We should rejuvenate the Party ranks.

On the occasion of the 65th anniversary of the founding of the Party and other major anniversaries in 1995, we shall launch a campaign to educate, train and enlist new members, particularly youth.

We should actively review Party-building work and prepare for the 8th Congress of the Party.

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A new period is ahead of us, full of promising prospects, great challenges that we must definitely overcome and opportunities and advantages of which we must make full use.

At the Mid-term Conference (7th Tenure) of the Communist Party of Vietnam, in order to replenish membership of the Politburo and the Central Committee, twenty-four members were elected: four to the former and the remaining twenty to the latter.

The Politburo:

1. LE KHA PHIEU, Colonel General, Head of the General Department of Politics, the People's Army of Vietnam.

2. DO QUANG THANG, Head of the Inspection Commission under the Party Central Committee;

3. NGUYEN HA PHAN, Head of the Economic Commission under the Party Central Committee;

4. NGUYEN MANH CAM, Minister for Foreign Affairs.

The Central Committee:

1. DAO TRONG LICH, Major General, Commander of the 2nd Military Zone;

2. PHAN DIEN, Head of the Office of the Central Committee;

3. SO LAY TANG, Secretary of the Kon Tum Province Party Committee;

4. BUI QUANG HUY, Secretary of the Tra Vinh Province Party Committee;

5. LU VAN DIEN, Secretary of the Can Tho Province Party Committee;

6. HO DUC VIET, First Secretary of the Ho Chi Minh Communist Youth Union;

7. LE MAI, Deputy Minister for Foreign Affairs;

8. NGUYEN THE TRI, Major General, Commander of the 3rd Military Zone;

9. DANG THANH HOC, Secretary of the Minh Hai Province Party Committee;

10. HOANG THUA, Secretary of the Ha Giang Province Party Committee;

11. TRUONG CONG THAN, Secretary of the An Giang Province Party Committee;

12. TRAN VAN VU, Secretary of the Soc Trang Province Party Committee;

13. DINH TRUNG, Secretary of the Binh Thuan Province Party Committee;

14. NGUYEN PHU TRONG, Editor-in-Chief of the *Review of Communism*;

15. HA MANH TRI, Member of the Standing Committee of the National Assembly, Head of the Law Commission of the National Assembly;

16. LE THANH DAO, Chief Procurator of the Supreme People's Organ of Control;

17. TO XUAN TOAN, Secretary of the Ninh Binh Province Party Committee;

18. THAI PHUNG NE, Minister of Energy;

19. VO VAN CUONG, Standing Member of the Municipal Party Committee, Head of the Ho Chi Minh City Inspection Commission;

20. HOANG VAN NGHIEN, Member of the Municipal Party Committee, Director of the Hanoi Electronics Company.

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