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# Vietnam Report

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TAP CHI CONG SAN

No. 7, 1981

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

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#### ALL FOR THE SOCIALIST FATHERLAND AND THE HAPPINESS OF THE PEOPLE

BK261634 Hanoi Domestic Service in Vietnamese 1100 GMT 26, 27, 28, 29, 30 Jun, 1 Jul 81

[Speech by VCP General Secretary Le Duan, at 25 June opening of the first session of the Seventh National Assembly, in Hanoi TAP CHI CONG SAN No 7, Jul 81 pp 1-16-translation previously published in FBIS Asia and Pacific DAILY REPORT, Vol IV, No 127, 2 Jul 81, pp K1-K13]

#### [Text] The presidium and comrade deputies:

On behalf of the VCP Central Committee, I warmly greet the comrade deputies of the Seventh National Assembly--the outstanding representatives elected by the people in the 26 April 1981 election.

The Sixth National Assembly has accomplished an important mission-the formulation and adoption of the SRV Constitution.

The birth of the new Constitution is a great event marking an important step in the development of our revolution.

The new Constitution reflects all the great revolutionary achievements recorded under the leadership of the VCP since the August 1945 revolution and through two extremely difficult but very glorious wars of resistance against the French and the Americans. It institutionalizes the Vietnamese revolutionary line in the new stage laid down by the fourth party congress and is an effective weapon for our entire people to continue the struggle aimed at firmly defending and consolidating national independence and successfully building socialism in our fatherland. That is the Constitution for the transition period to socialism and for the system of socialist collective mastery of the laboring people in our country.

The Seventh National Assembly is duty-bound to fully develop its role as our people's highest state organ of power in consolidating and improving the system of collective mastery, implementing the new Constitution and introducing the institutions of this Constitution into the actual life of our society.

Comrade deputies, The 5-year tenure of the Sixth National Assembly was a period of special importance in the advance of the Vietnamese revolution. The most salient event in the past period was our people's victory in the two wars of aggression engineered and directly conducted by the Chinese expansionists. Beijing has long been nurturing a plan to conquer Vietnam and the Indochinese peninsula as a whole in order to pave the way for realizing its dream of expansion into Southeast Asia and of bringing the latter under its sway.

One odious thing is that, colluding with the U.S. imperialists, the Beijing rulers tried to carry out that scheme as soon as our country had emerged from the resistance against the imperialist ringleader, with the aim of knocking our people down by two strategic thrusts, one from the south and the other from the north.

Using the Pol Pot-Ieng Sary-Khieu Samphan gang in Kampuchea as mercenaries, they waged war on our southwestern border with the aim of occupying many important areas from Ha Tien to Tay Ninh in order to create opportunities for reactionaries in southern Vietnam to rise up against and sabotage the socialist revolution which had just begun. After being defeated together with its henchmen in southern Vietnam, Beijing impudently launched a large-scale war of aggression, throwing 600,000 troops into an attack along our entire northern border in an attempt to subdue our people.

Comrades, as you already know, our party and state have done all they could to settle through negotiations the conflicts left by history between Vietnam and China. However, the reactionary clique in the Beijing ruling circles is stubbornly pursuing a hostile policy against Vietnam. Through that criminal war, they exposed themselves as our people's direct and dangerous enemy. At the same time, they revealed to the world the extremely barbarous and crafty nature of Chinese expansionism and hegemonism—the biggest international reactionary force threatening national independence, peace and stability in Indochina and Southeast Asia.

Developing the great strength of the system of socialist collective mastery and upholding the nation's tradition of Dien Hong [a national conference convened in ancient times when Vietnam was faced with invasion from China], our heroic people and armed forces smashed both enemies at the two extremities of our country, thus successfully defending those sacred border areas of our fatherland. At the same time, we fulfilled our international obligation in helping the fraternal Kampuchean people to overthrow an unprecedentedly barbarous and genocidal regime. Then, together with the Lao and Kampuchean peoples, we created a firm and interrelated strategic position for revolution in the three Indochinese countries. With their struggle and victory, our people have helped to enhance the three revolutionary currents of our epoch, thus making a worthy contribution to the world's people's struggle against imperialism and international reactionaries and for peace, national independence, democracy and socialism.

The victories of our two wars of national defense are of great historic importance. Through those struggles, our people have seen through the odious and treacherous nature of the reactionaries among the Beijing ruling circles and have further heightened their vigilance against them.

At the same time, we have good grounds to affirm that the Vietnamese people now have the strength and capability to defeat their new enemies, no matter how cruel and vicious, if they recklessly unleash another war of aggression against our country.

Closely connected with these victories are strategic achievements in strengthening the militant solidarity between our people and the peoples of the fraternal countries in the socialist community. The special relations among the three Indochinese countries have developed to an unprecedented level. The treaties of friendship and cooperation between Vietnam and Laos and between Vietnam and Kampuches have greatly affected the safeguarding of the independence and security of each country and the consolidation of socialism in this part of the world.

The signing and implementation of the treaty of friendship and cooperation between Vietnam and the Soviet Union--a great event which embodied the all-round cooperation between the two countries--has made a very important contribution to the victory of our people in the war for national salvation and given firm guarantees for our socialist construction and national defense. Our participation in the Council for Mutual Economic Assistance and the signing of treaties of friendship and cooperation with other fraternal countries have marked a new qualitative development in the relations between Vietnam and the socialist community.

We have smashed the perfidious and vile schemes of Beijing, aided and abetted by the United States, to encircle and isolate our country and lower its prestige. The SRV continues to widen its diplomatic relations, which it now shares with almost all countries in the world. It is also acting to enhance its international status and has gained broad sympathy and support from countries which cherish peace, national independence and freedom and from all revolutionary, progressive and peace-loving forces throughout the world.

Socialist construction throughout the country has been very successful. The speedy reunification of our country on the state level has helped to strengthen the political and moral unity of our people, develop national solidarity and unity to a new stage under the banner of independence, freedom and socialism. The system of proletarian dictatorship has been firmly established on a nationwide scale while the working people's right to collective mastery has been initially established.

In spite of serious economic and social changes resulting from a protracted war, we have firmly maintained political and social security and public order. The rebellions and bloodbath perfidiously prepared for the postwar period by the U.S. imperialists through their Vietnamization of the war have not occurred as they had predicted and dreamed of. This represents a brilliant success of the consistent policy of broad national unity pursued by the new system.

On the economic and cultural front, we have quickly made up for the heavy damage caused by the wars of aggression of U.S. imperialism and Chinese expansionism and promptly solved many urgent economic and social problems. In the south, the comprador bourgeoisie have been completely eliminated and private trading and industrial enterprises have been basically transformed while agricultural collectivization has achieved initial success. In the north, the new relations of production are being perfected, economic establishments which were devastated by war have been largely restored and, in some respects, production has developed to higher levels than before.

Social labor forces have been initially reallocated on a nationwide scale and a number of new economic zones have taken shape. Millions of working age people have been given jobs. The material and technical bases of the national economy have been strengthened considerably. The fixed assets of socialist economy in production branches have increased by 91 percent.

In agriculture, more than 1 million ha of virgin land have been reclaimed and a further 1.8 million ha have been planted with crops. More than 20,000 assorted tractors have been used in agricultural production, and 37 percent of the land is now tilled mechanically.

In industry, productive capacity has been boosted with an additional 200,000 kilowatts of electricity, 2 million tons of coal and 500,000 tons of cement.

With regard to communications, almost 1,500 km of new railways, 3,800 km of motor roads and 4,000 meters of wharves have been built. Many industrial projects have been placed under construction such as power stations, cement factories, engineering plants, shipyards, harbors, textile factories, sugar and paper mills. These projects are very important to our economy. Without these projects, we cannot advance toward large-scale production. In the 1981-85 plan period, many factories and establishments now under construction will be commissioned.

Notable progress in culture, education and public health has demonstrated the superiority of the new system. Illiteracy has been basically eliminated in the south. The number of students in general education schools, colleges, universities, complementary courses and vocational schools has increased to almost 16 million. On the average, one out of every three Vietnamese is going to school.

The scientific and technical branches have solved a number of important problems of the national economy and defense. Good results have been achieved in the eradication of neocolonialist culture. The elimination of social diseases and vices--products of the U.S. puppet regime--have brought a new life to hundreds of thousands of people.

in the struggle for national defense and in the building of the new society, increasing numbers of collectives and individuals have emerged, setting examples of the workstyle and virtues of the new socialist man.

However, the achievements of the socialist revolution, especially in the economic field, still remain negligible considering the demands and the costs of manpower and materials. The problem of grain and food has not yet been firmly resolved. Social labor has yet to be utilized to its fullest potential. There now exist strains in connection with

energy, raw material and communications and transportation. The gap between exports and imports still remains wide. The market and prices are subject to fluctuations. The lives of workers, civil servants and peasants in areas affected by natural and enemy-caused calamities is fraught with difficulties. The socialist emulation movement and the new workstyle have yet to successfully repel the habits of small-scale production and the old business system. Discipline and law have been loosely observed and the laboring people's right to mastery has been violated in many localities.

These difficulties first of all stem from the weakness of our national economy which is still predominantly characterized by small-scale production and which has been heavily ravaged by one war after another and seriously devastated by frequent natural disasters. In almost 3 of the past 5 years we have waged a war for national defense. The mobilization of an important part of our manpower and wealth for national defense has made it impossible to achieve many targets of the 1976-80 plan in a rormal manner. Meanwhile, the enemy has continually tried by every means available to sabotage us in all fields. Moreover, the shortcomings and mistakes committed by party and state organs in economic and social management have further prolonged a number of difficulties and aggravated some imbalances at certain times and in certain places.

Due to the failure to fully understand the party's line and firmly grasp the actual situation, shortcomings have been made in organizing its implementation. Notable are the shortcomings in economic planning and investment, in economic management and in the struggle against negativism. The investment structure and production arrangement of many sectors are still irrational. In economic management, we have been slow in eliminating red tape, officialdom and subsidization, and in overcoming the spirit of dependency in order to shift to the system of socialist business management, economic measures for management are not given due attention; nor are they closely combined with administrative and ideological measures. This has resulted in the slow overcoming of negative phenomena in the economy and social life.

We sternly point out our shortcomings and mistakes in order to find the right way to redress them. To make a judicious appraisal, however, we should view our economic situation in the context of the allround development of the revolution in our country over the past 5 years. The Beijing expansionists want our collapse, but we have come through difficult trials and are standing firm. We have smashed a dangerous counterattack of the enemy. We have made extraordinary efforts and have warded off famine. More than that, the people's living conditions in many rural areas have undergone significant improvements. We have taken one step further in increasing the productive capacity of our economic sectors. We have created a new force in all fields to advance steadily.

The past 5 years have been a period of great successes. Our people have added a glorious page to the epic of our heroic struggle for the fatherland's independence and freedom, and raised the Vietnamese revolution to a new strategic posture firmer than ever before in our history. Never before have our people been so capable as they are today to defend the fatherland and build socialism.

The successes already achieved stem from the stable leadership of the VCP--a party boundlessly loyal to the fatherland, the nation, Marxism-Leninism and proletarian internationalism. Reflecting the people's confidence and trust in the party, the new Constitution confirms that the party is the sole force in leading the state and society and the main factor deciding all the successes of the Vietnamese revolution. In the resolution of its fourth national congress, the party set forth the line for the socialist revolution and a correct economic line. Realities of the revolution in the past 5 years show that the party has promptly caught up with the complex developments of the situation and adopted resolute and clear-sighted strategic viewpoints with which to decide the correct path for the revolution at the crucial and pressing moments.

The successes already achieved again testify to the heroic character and creative ability of our people and armed forces in defence as well as in construction. Our National Assembly warmly commends the people throughout the country--from north to south--the compatriots of minority ethnic nationalities in the border provinces, and all the cadres and combatants of the armed forces and people's security forces for having united single-mindedly, fought valiantly and scored outstanding exploits in the two wars of national defense to firmly defend the fatherland's territory, airspace, seas and offshore islands and to firmly maintain political security and social order and safety.

Our national assembly warmly commends the working class, the peasantry, intellectuals of both sexes, scientists and managerial and technological cadres for having striven persistently to overcome difficulties, develop innovations and score important achievements in restoring and developing production to meet the minimum material and cultural demands of the people's life.

On this occasion, we express our people's sincere and profound gratitude to the Soviet Union, a reliable comrade and brother, for promptly giving our people the most comprehensive, effective and greatest assistance. We express our sincere and profound gratitude to the fraternal Lao and Kampuchean peoples, friends of the same combat trench who have stood shoulder to shoulder with us in opposing the common enemy and whole-heartedly assisted our people in combat and construction. We are grateful to other socialist countries for their unstinting and great assistance to our people's revolutionary cause. We sincerely thank friends all over the world for giving our people their extremely strong and precious international support.

Comrade deputies, after the great victory of the anti-U.S. war of resistance, our country entered a new era in which it has won complete independence and unification and is advancing toward socialism. In more than half a century of struggle under the party's leadership, our people have devoted 45 years to national liberation. Just as in the past 5 years, the historic task for our entire people in the future is to struggle hard to successfully build socialism and gradually move the country on the path of progress and modernization.

Our socialist revolution faces the hostile policy of the Chinese expansionists and hegemonists. At present, Beijing, aided and abetted by the war-mongering U.S. forces, is waging a type of all-out war of destruction against Vietnam, Laos and Kampuchea. They apply pressure and make provocations and military encroachments. They resort to psychological warfare and espionage to sow discord within our nation and sabotage our security. They are carrying out a policy of economic blockade while sabotaging production and causing disturbances in our markets. They try everything to slander and discredit Vietnam internationally. They muster traitors and their henchmen in each country and organize international reactionaries to oppose the revolution of the three Indochinese countries.

Sliding down the counterrevolutionary path, the Beijing authorities are stubbornly planning to weaken our country as well as fraternal Laos and Kampuchea, and are preparing conditions for a large-scale war of aggression to conquer all of this region. Our country, therefore, finds itself in a situation in which peace is threatened by the possibility of war.

We are struggling resolutely to maintain peace and to lose no time in building socialism. However, we must always be fully prepared to defend our fatherland. Independence and freedom are still the primary cause of our people and the fundamental and strong motivating feature of the revolution in our country.

Over a long historical period, our entire party, army and people will have to carry out two strategic tasks simultaneously—successfully building socialism and being constantly ready to fight and firmly defend our socialist fatherland and resolutely defeat every scheme and act of aggression of Chinese expansionism and hegemonism and international reactionary forces, thus contributing to the world revolution.

In a spirit of constant vigilance against the Beijing reactionaries and the bellicose imperialist forces, we must mobilize the efforts of our people and armed forces in all fields, and at the same time we must make the best use of the assistance of the Soviet Union and other countries in the socialist community to make our country strong enough to defeat the enemies under any circumstance and in any type of war they may provoke.

We must continue to develop the people's armed forces so they can be strong enough to serve as the main pillar of all-people national defense and as the core force in the people's war for national defense. It is necessary for the people's army to undergo intensive training in order to become a mighty and increasingly modern and regularized revolutionary army with an unshakable will to win, while at the same time participating in production and economic development in appropriate ways.

As for socialist construction, we will definitely continue to follow the general line as well as the economic line laid down by the fourth party congress, the basic concept of which consists of firmly upholding the proletarian dictatorship, simultaneously conducting the three revolutions, developing the collective mastery system in all respects, proceeding with socialist industrialization, establishing a large-scale production system with a modern industrial-agricultural structure, combining the central economy with regional economies within an integrated national economic structure and linking the economy with national defense. This line will be valid for the entire transition period for advancing our country, with an economy predominantly characterized by small-scale production, directly to socialism.

Imbued with that line and proceeding from the present economic conditions, we deem it necessary to work out a socioeconomic program for the 1980's with the following objectives:

- To stabilize and take a significant step forward in improving the people's material
  and cultural life--first and foremost, to definitely solve the grain and food problem
  and meet the basic clothing needs of the entire society.
- To overcome the most serious economic imbalances, create considerable sources of accumulation from within the national economy and establish the key features of the material and technical infrastructure for socialism.
- 3. To fully meet the needs of national defense and maintain national security.

The current situation indicates that the slow development of agriculture as regards the production of grain, food and industrial crops and utilization of labor and land is the main obstacle to realizing the three objectives mentioned above. Meanwhile, the greatest potential for development of our national economy at present lies in agriculture itself. Therefore, in the 1980's the primary economic task is to vigorously develop agriculture and take a significant step forward in advancing agriculture to socialist large-scale production within a rational industrial-agricultural structure. It is necessary to round up capital for investment, strengthen party leadership and improve state management in order to distribute and utilize most of our labor resources on a national scale; use to the fullest extent tens of millions of hectares of ricefields, forests and water surface; broadly apply science and technology so as to enable agriculture as well as forestry and fishery to fulfill the three basic tasks; fully meet society's demands for grain and food; supply light industry with raw materials to produce a large quantity of goods for export; and create firm bases for national industrialization.

All the economic sectors—especially industry, including heavy industry, communications and transportation and capital construction—must give first priority to developing agriculture. To develop agriculture as well as forestry and fishery along the line of large-scale production, we must use the district as the theater for organizing production and carrying out the division of labor; rationally utilize land and develop the various branches and trades; organize the people's material and cultural life; and build a new countryside.

To attain these objectives and orientations in the years shead, we must firmly grasp and properly implement the following major tasks:

 Highly concentrate the forces of the various sectors and echelons on the foremost important sector—namely agriculture—and ensure a stable supply of the minimum grain and food requirements for society while striving to promote consumer goods production.

By the use of uniform methods for organizing production, improving management and applying science and technology, we must exploit even better the advantages of our tropical agriculture and the great capabilities concerning crop multiplication, intensive cultivation and the reclamation of new and fallow land in order to quickly increase the production of rice and subsidiary food crops, set up major industrial crop areas and develop livestock breeding.

Along with developing agriculture, attention must be given to forestry and fichery. Importance should be attached to developing light industry for the production of consumer goods with domestic raw materials and to acquiring additional raw materials through imports so as to meet the most essential demands of the people for schooling, medication, household appliances and common transportation means. With the efforts of both the state and the people, we must take a new step forward in improving housing conditions, especially in the capital and the big cities.

2. Strive hard to quickly increase exports to finance imports, thus gradually overcoming the present trade imbalance and ensuring the supply of equipment and technical facilities for the ever-increasing demands of socialist industrialization.

Efforts must be made to increase the export of agricultural, forestry, maritime and mineral products and goods made to order, improve product quality and introduce major products of high value. In particular, we must satisfactorily export goods to CEMA member countries to honor the treaties already signed, gradually narrow the imbalance between exports and imports and advance toward balancing imports with exports. All sectors, localities and establishments are obliged to carry out this important strategic policy.

3. Focus construction work on a number of key projects and make the best use of existing, heavy industry, communications and transportation establishments in order to boost agriculture, light industry and exports, and prepare for vigorous development of the national economy in the future.

Efforts must be made to develop electricity, coal, petroleum and gas exploration; produce more chemical fertilizers and other necessary raw material and supplies; and create conditions for gradually overcoming the imbalances in these respects. We must reorganize the engineering force as planned and increase investments, especially in-depth investments, in order to meet the demands for repair work, spare parts and common tools. At the same time, we must increase the engineering sector's capacity to systematically meet the demands for new technical equipment for various economic sectors. It is necessary to improve the organization and management of transportation; make appropriate investments to increase transportation means and expand communications networks; combine mechanized transportation with rudimentary transportation; pay utmost attention to transportation by water; and quickly increase the cargo handling capacity of the various ports and railroad terminals.

4. Speed up socialist transformation in the south and perfect socialist production relations in the north.

We must closely combine the transformation and reorganization of production with the development of production and consolidate cooperatives and production collectives throughout the country. In the south, the building of production collectives and cooperatives must be closely linked with the reallocation of land. In localities where production collectives and cooperatives have yet to be set up, land reallocation must be carried out to ensure that every peasant has his own lend to till. It is necessary to improve the various contractual policies and forms and encourage peasants to practice intensive cultivation, increase crop cultivation and livestock breeding output and apply new scientific and technological processes to increase production volume. We must continue to transform private industry and commerce, effectively utilize the various economic elements and consolidate and strengthen the state-run and socialist economic elements in all spheres of activities.

5. Develop the important role of science and technology in exploiting the existing capacity and potential of the economy.

We must encourage the various economic sectors and establishments to apply new scientific and technological processes, increase labor productivity, upgrade product quality, create substitute raw material and supplies, and introduce new products. It is necessary to organize and step up the mass movement to develop innovations, rationalize production and improve technology. Every sector must strive to firmly master the science and technology related to its work, review and enrich experiences in production and management and supervise the production activities of its establishments with increasingly more progressive economic and technical norms. We must promulgate specific policies to motivate scientists to resolve practical and pressing problems facing the economy and make appropriate investments in scientific and technological research, application and layer, ment

6. Improve economic management and the distribution and circulation of goods.

We must reorganize social production, overcome the state of fragmentation characteristic of small-scale production, set up the various economic-technical sectors, strive to develop regional economies while building the central economy in accordance with a rational structure and pay special attention to building the districts. Resolute efforts must be made to eliminate the system of management by bureaucratic subsidization, vigorously shift to socialist business management methods, realize collective mastery at the three basic levels, ensure agreement among the three interests and give appropriate encouragement to the laboring people. Attention must be given to ensuring economic results, upgrading labor and product quality and absolutely practicing thrift. Efforts must be made to cut expenditures by 10-15 percent in all activities, especially with regard to savings in grain, gas, oil, electricity, coal, raw materials and supplies, considering this a major policy of the state. We must strongly improve planning to correctly reflect the party's economic line, develop all potentials and meet all rational demands. It is necessary to correctly apply the principle of democratic centralism, establish a planning system consisting of three levels and pay attention to the plans developed by basic units and the districts.

In planning, it is necessary to apply the goods-money relationship and implement the system of economic accountability. Along with this planning, we should use and manage the unplanned market well. In managerial work as a whole, we should bring into full play all the economic levers, perfect management organizationally, improve cadre training and modify and improve working methods.

We should revamp trude and improve the systems of finance, banks, prices and wages to promote production, rationally distribute state revenues, gradually stabilize and improve the laboring people's livelihood, establish order in distribution and circulation on a new basis, ensure the concentration of staple commodities and materials into state bands, firmly control the currency, expand the organized market, guide and control the free market, eliminate speculation and contraband and overcome negativism.

7. Promote cultural, educational, public health and social retivities and develop a new type of people and a new style of family life.

We should firmly maintain and develop our education consistent with the situation in each region, positively carry out education/d reform, conduct training for skilled cadres and workers on a rational scale and after a rational pattern in line with the requirements of economic development, use technical and scientific cadres well, train more economic management cadres, qualitatively develop and enhance cultural, literary, artistic, sports and physical training activities, continue to struggle against reactionary and decadent culture, intensify disease and epidemic prevention and environmental sanitation, exploit domestic pharmaceuticals, ensure sufficient medicines for treating ordinary diseases, step up birth control, attentively care for mothers and infants and implement social welfare policies toward the wounded and invalids.

In the economic field, the greatest concern of our party and state is to step up production and stabilize and gradually improve the people's living conditions. The resolutions of the party Central Committee plenums, especially the resolutions of the sixth and ninth plenums, and the Political Bureau resolution on improving distribution and circulation, have been worked out to bring new positive factors in the mass government into full play and to rectify mistakes in economic management. The struggle to implement these resolutions, especially to improve the forms of contracted quotas in agriculture and industry, has stimulated seal in production and brought fruitful achievements.

This year, in normal weather conditions, the whole country has harvested a good springwinter rice crop, with an output 220,000 tons higher than last year. The cooperatives which applied the contracted quotas system have been successful: their crop yield and output have come 'derably increased, the cooperative members' incomes are much higher, food deliveries to the state are speedier and the cooperatives have been truly strengthened. In industry, despite difficulties in the supply of energy and raw material, some enterprises have introduced many innovations, initially overcome the bureaucratic administrative system of subsidization and have shown flexibility in production and business, thereby overfulfilling the state plan, getting more money for the budget and improving the workers' living conditions in accordance with the principle of distribution according to labor.

Whether we can achieve many and quick results in developing production and stabilizing and improving the people's living conditions depends largely on the dynamism, awareness, sense of discipline and struggle efforts of all our people. Spurred on by the achievements already scored, let all sectors, echelons and primary production units strive to overcome difficulties and fulfill the country's requirements.

With an amount of technical facilities and materials equal to or less than the assigned amount, we must produce better than before to turn out more assets for society. Every worker should actively surge forward to be a courageous and talented combatant and a diligent and intelligent master on the production and distribution front. Only by so doing can we cause an important change in the national economy, overcome the present difficulties, fulfill the immediate requirements and contribute to accelerating the socialist industrialization of our country.

Comrade deputies, over the past 5 years, following the U.S. imperialists' defeat in Vietnam, the three revolutionary currents have become increasingly stronger and have united into a powerful force rapidly changing the world balance of power. The struggles waged by the people of various countries for peace, national independence, democracy and socialism have constantly developed and won ever greater successes.

Seeking a way out of the economic crisis and attempting to regain their lost superiority, the war-mongering U.S. forces are pitting themselves against the revolutionary currents and turning their spearhead at the Soviet Union and other socialist countries. In this plot, they have found a new ally—the Beijing expansionist and hegemonists. The collusion between the Chinese reactionaries and the U.S. imperialists has become a prominent feature of the present international situation and poses a threat to world peace and stability, especially in Southeast Asia and Asia.

The main cause of world tension now arises from the aggressive and belligerent policies of the U.S. imperialists—ringleaders of the imperialists and international reactionaries. The U.S. imperialists are frenziedly increasing their military budget, stepping up the arms race on an unprecedented scale, introducing medium-range missiles into Europe, creating a cold war atmosphere and disrupting international detente. They are working hand-in-glove with other reactionary forces to interfere in Poland's internal affairs and split that country from the world socialist system.

More seriously, the U.S. authorities are colluding in the military field with the Beijing reactionaries and playing the China card. They are supplying more weapons to the dictatorial reactionary regimes in southwest Asia and Central America, and lending a hand to Israel in the Middle East as well as to the apartheid regime in South Africa. All these moves are aimed against the national liberation movements and at threatening the independence of many nonaligned countries.

Our people sternly condemn these bellicose schemes and actions of the imperialists and international reactionaries. We warmly welcome and fully support the Soviet Union's very important peace initiatives put forth by Comrade Brezhnev at the 26th CPSU Congress and its recent peace proposals relating to the Persian Gulf and the Mediterranean, aimed at clearing the international atmosphere and enhancing confidence among countries.

The SRV National Assembly and the entire Vietnamese people fully sympathize with the appeal of the USSR Supreme Soviet made by Comrade Leonid Brezhnev on the 40th anniversary of the Soviet people's Patriotic War against Hitler's fascism. This was a noble call of a nation and country which has made the greatest sacrifices and the greatest contributions to the peaceful life of all mankind. We firmly believe that this urgent call will be warmly welcomed by and will echo deep in the hearts of hundreds of millions of people on earth.

Peace is the prerequisite for human existence and the common fruit of the struggle of the peoples of all nations. Defending peace is the primary political task of all nations. All people of conscience in the world are deeply aware that the gains of world peace and detento must be defended. The dark and adventurous designs of the belligerent imperialist and rectionary forces must be checked. The CAV National Assembly and the Vietnamese people are determined to work hard for world peace, security and cooperation.

Our party and state reaffirm the continuation of the foreign policy laid down by the fourth party congress—a principled policy which has been tested by experience and proven to be correct.

We have done our best to develop all-round cooperation with the Soviet Union and other socialist countries on the basis of Marxism-Leninism and proletarian internationalism. We consider all-round cooperation with the Soviet Union under the Vietnamese-Soviet treaty of friendship and cooperation as a foundation stone of the international line and foreign policy of our party and state, as a matter of principle stemming from the revolutionary nature of the two Marxist-Leninist parties and socialist states sharing the same ideals. This is a long-term, basic strategy ensuring the success of our people in national defense and socialist construction and the strengthening of socialism on the Indochinese peninsula.

To consolidating and developing the special relationship between our country and fraternal Laos and Kampuches is vital to the destiny of the three countries. It is a firm guarantee of the defense of independence and succeasful socialist construction in each country and an important factor for peace and stability in Southeast Asia. On the basis of mutual respect for independence, sovereignty, territorial integrity, respect for each other's legitimate interests and equality and mutual trust, we have wholeheartedly accomplished our international obligations toward the two fraternal countries and joined them in close cooperation in all fields to ever more effectively serve the economic construction and national defense of each country.

We express our heartfelt support for the struggle of the Polish United Workers Party and of the communists and people of Poland against the reactionary forces to smash their counterrevolutionary plans and to defend the revolutionary gains and the vital interests of socialist Poland. We reitexate our strong solidarity with the communists and fraternal people of Poland. We firmly believe that with the support of the Soviet Union and other countries of the socialist community, they will win victory in this difficult and complex struggle.

We are resolved to support the fraternal Afghan people who, with the support of the Soviet Union and other socialist countries, are struggling to defend the gains of the Sawr revolution. We support the just struggle of the Palestinian Arab people under the leadership of the Palestine Liberation Organization against Israeli expansionism for the recovery of their fundamental national rights, including the right to set up their own state.

Our people sternly condemn the Israeli expansionists' provocative attacks against Syria and the Lebanese people and strongly denounce Israel's bombing of a nuclear reactor in the Republic of Iraq, which we consider a blatant act of aggression that creates a very dangerous situation in the Middle East.

Our people highly value India's role and warmly support the proposals made by India and other nonaligned countries aimed at easing the international situation and contributing to peace and stability in Asia and the rest of the world.

We have always sided with the peoples of Cuba, Nicaragua and Grenada in their struggle against the U.S. imperialists' threat of aggression. We fully support the Salvadoran people's courageous struggle to overthrow the fascist junta a d to block U.S. intervention. Our people express warm sympathy and wholehearted support for the fraternal Namibian people and other nations in southern Africa struggling for national independence and against domination by the South African apartheid clique.

We are against the convening of the so-called international conference on Kampuchea masterminded by the Chinese authorities and aided and abetted by warmongering forces in the United States and international reactionaries to interfere in the internal affairs of the PRK. Recently, the three Indochinese countries made new proposals aimed at solving, through direct dialogue and negotiations, problems in relations between the ASEAN and Indochinese countries. Once again, we reaffirm that these are correct solutions fully in line with the interests of the Southeast Asian countries, namely peace, friendship and cooperation.

The Vietnamese people are resolved to struggle to foil all schemes of aggression and annexation by the Chinese powerholders against our country. But we are not opposed to the Chinese people; we unite with the Hoa people who have long lived in our country and regard them as Vietnamese citizens.

Upholding our friendly policy toward the Chinese people, we wish for normalization of relations between the two countries on the principles of peaceful coexistence, mutual respect for each others' independence and sovereignty and the settlement of disputes by negotiation. However, the Beijing authorities have rejected all of our proposals for negotiation and are creating tension in relations between the two countries. The Chinese side must bear full responsibility for all consequences arising therefrom.

Dear National Assembly deputies, in order to implement the Constitution and develop the laboring people's collective mastery, it is imperative to struggle and perfect the system in which the party leads, the people control and the state manages. As an immediate task, we must truly arrive at various appropriate and effective forms of activities and working methods to reflect the correct relationship among the party, the state and the people and create an integral strength of collective mastery over various fields and at all echelons.

The party must further enhance its leadership, especially its organizational ability, on the economic battlefront. It must always firmly control the situation of production and life and the development of the mass movement in order to promptly set forth and perfect various guidelines and policies by intensifying its inspection and control tasks, promptly detecting new factors and quickly correcting deficiencies.

The party must attentively develop the state by promoting the efficiency of the state machinery in economic and social management and by resolutely overcoming the situation in which the party takes on the duties of the administration. A strong and firm state reflects effective leadership by the ruling party and constitutes a guarantee of the laboring people's collective mastery.

The party's leadership must be manifested through the activities of various party organizations, cadres and party members who have complied with various policies and guidelines for transformation and construction, have implemented and protected the people's collective mastery, have observed labor discipline and have respected and abided by state law.

The party must struggle resolutely against degeneration in its ranks and deal severely with those cadres and party members who have misused the socialist assets, accepted bribes and oppressed the people.

In order to develop and contribute effectively to building a system of collective mastery, every worker must profoundly realize his role and responsibility as a master. He must clearly fulfill a citizen's duties and understand the benefits as stipulated in the Constitution.

Under the party's leadership, the laboring people implement their collective mastery—mainly through the state—and at the same time through various revolutionary organizations and organizational and operational forms and methods they themselves create in line with the different conditions of their economic and social lives. The laboring people implement their collective mastery at all three levels, especially at the grassroots level where the three revolutions usually take place with a direct impact on the lives and interests of each citizen.

Collective mastery must be manifested in the emulation movement for production and thrift in rural areas, cities and cooperatives, factories and state farms. The mass organizations are dutyhound to mobilize, organize and foster the revolutionary movement, making it constantly seething and uninterrupted. The state agencies must establish by all means a managerial system that can strongly stimulate the laboring people to work hard in the interests of the society, the collectives and themselves. In this connection, we can draw many valuable lessons from the experience of advanced models. Al' sectors and echelons must review and popularize these lessons in support of the socialist emulation movement.

Our state must be a major tool with which the laboring people implement their collective mastery and the dictatorship of the proletariat. It must ensure that the National Assembly—the highest organ of state power—truly develops its role in making decisions concerning laws and other major problems of the country, and in supervising and controlling the operations of various central government agencies. It must ensure that the people's councils at all levels actually operate and contribute effectively to the comprehensive development of their localities in order to continue to be the local agents of state power responsible to the local people and the higher administrative echelons.

The state must also ensure that the people's elected agencies maintain a regular relationship with voters in order to reflect the masses' legitimate suggestions and aspirations.

In this first session of the Seventh National Assembly, we will elect the National Assembly chairman and vice chairmen, the State Council, the Council of Ministers, the chief justice of the People's Supreme Court, the chief procurator of the People's Supreme Procuratorate, the National Defense Council, the Council of Nationalities and the various commissions of the National Assembly in accordance with the provisions of the Constitution.

This National Assembly must perfect the organization of state agencies and improve their operation. It must specifically emphasize the perfection of economic management agencies from the general to the sector management agencies in close connection with the establishment of a new economic structure and a new managerial system. We must make the economic management machinery more streamlined and more dynamic so that it can stay close to and support primary production units, reducing the number of intermediary levels. We must clearly determine the functions, duties and operational methods of production and business organizations and administrative and economic management agencies. The responsibility of central and local governments for labor division and management classification must be clearly defined to ensure smooth, systematic and effective operation of the economic management machinery from the higher to lower levels.

While trying to eliminate the administrative ill of subsidization, we must relentlessly struggle to overcome bureaucracy, authoritarianism and officiousness which cause trouble for the people.

Strengthening the socialist legal system is an urgent requirement to enhance the effectiveness of state management, ensure the people's collective mastery and fulfill the function of the proletarian dictatorship. This requires that we urgently establish, complete and perfect step by step the legal system of our state, especially economic laws, and ensure good support for the implementation of prescribed fundamental tasks. Attention should be given to conducting basic and advanced training of judiciary cadres and to perfecting and strengthening the agencies in charge of judicial work.

We must establish a social management system according to law, conduct propaganda to explain the Constitution and laws to the people of all strata and instill a law-abiding sense in the people, making them voluntarily respect and scrupulously observe laws. The party and state must take stern action in the struggle against all violations of the people's mastery, severely punish those cadres and personnel who abuse their authority by violating laws and resolutely suppress counterrevolutionaries, exploiters dodging rehabilitation, villains, thieves, grafters, speculators and smugglers.

The state must firmly maintain social discipline, oppose all manifestations of nonchalance and adequately use both political and economic powers to prevent all negative phenomena and stop the situation of disregard for the law.

Dear deputies, our people are now faced with a very heavy historic mission. We have just begun socialist construction throughout the country, which entails a host of new and complicated duties. The Beijing expansionists still continue their aggressive plots and have regularly sabotaged us. Our people must surmount several obstacles and difficulties to carry out their revolution. Nevertheless, the prospects for our revolution are very bright. We are on the correct path. We have abundant capabilities to develop production and the economy. We have a powerful force to firmly defend our fatherland. Our allies are reliable and our friends are sincere.

In the past 5 years, we have faced very serious ordeals and have won great victories. In the days ahead, we will certainly be able to develop our advantages, exploit our potential well, overcome immediate difficulties and continue to move the Vietnamese revolution steadily along the path of independence, freedom and socialism. No enemy can subdue us and no difficulties can check our people's advance!

The slogan for our action now is "All for the socialist fatherland and the people's happiness." The people of all nationalities throughout the country—workers, peasants, intellectuals, youths, women and the people's armed forces—unite, devote all their wisdom and strength to the struggle and advance bravely!

Implementing great President Ho Chi Minh's sacred testamenc, the Vietnamese Communist Party resolves to struggle and sacrifice for the fatherland and the people and to remain worthy of the confidence of all people throughout the country.

We are convinced that the Seventh National Assembly will outstandingly fulfill its mission to unite and mobilize our people of all strata to victoriously build and firmly defend Socialist Vietnam, thus making a worthy contribution to the world's people's revolutionary cause.

CSO: 4209/484

# SPEECH BY COUNCIL OF STATE CHAIRMAN TRUONG CHINH

BK051433 Hanoi Domestic Service in Vietnamese 1100 GMT 5 Jul 81

[Speech at closing meeting of first session of the Seventh National Assembly on 4 July in Hanoi TAP CHI CONG SAN No 7, Jul 81 pp 18 & 20--previously published in FBIS Asia and Pacific DAILY REPORT, Vol IV, No 128, 6 Jul 81, pp K5-K7]

[Text] The presidium, comrade deputies: On behalf of the comrades elected to the leading organs of our state and in my own name, I sincerely thank the National Assembly for its confidence.

We are profoundly aware that, by electing us, the comrade deputies have granted us a great honor and, at the same time, entrusted us with very weighty responsibilities. First of all, we have the responsibility to apply the line and policies of the VCP so as to successfully build socialism; firmly defend the socialist fatherland; firmly maintain public order and security; develop the people's right to collective mastery; and strengthen the state in all respects, thereby enabling the state apparatus to effectively manage the economy and society.

We will strive to ensure that the National Assembly and the people's councils at all levels operate in a practical and effective manner, worthy of being organs of state authority at the central and local levels, and that the popularly elected deputies regularly meet with voters and satisfactorily fulfill their duties.

Together with the National Assembly, we will strengthen our supervision of the implementation of the Constitution and Laws; continue to concretize the Constitution by enacting laws and regulations; strengthen the socialist legal system; build the social management system according to law; firmly maintain state law; oppose all criminal acts; combat bureaucratism, authoritarianism and officialism; struggle against speculation, embezzlement and bribery; and oppose regionalism, departmentalism and individualism.

We will make every effort to carry out the socialist transformation of the national economy; build and perfect socialist production relations; improve economic management; end the administrative system of subsidization; and establish socialist trade. In the immediate future, we will strive to satisfactorily carry out distribution and circulation, and stabilize and gradually improve the material and cultural lives of our people.

It is our belief that, through our own efforts and benefiting from the supervision of the National Assembly and the cooperation of all comrade deputies, we will be able to fulfill our duties and will not betray the confidence of the National Assembly and people throughout the country.

Comrade deputies: Five years ago, on 2 July 1976, at this same historic Ba Dinh Conference Hall, the Sixth National Assembly decided to name our country the Socialist Republic of Vietnam.

Since then, our state has been incessantly consolidated and our people have recorded extremely great successes in the struggle against the Chinese expansionists and their henchmen, the Pol Pot-Ieng Sary clique. We have defended our beloved fatherland, helped the Kampuchean people eliminate the scourge of genocide, promulgated the new Constitution, achieved national reunification in the state field, initially built the material and technical bases of socialism, strengthened our friendship and cooperation in all fields with the Sovie'. Union and other socialist countries, strengthened our solidarity with Laos and Kampuchea, and contributed to the defense of peace in Southeast Asia and the world.

As Comrada Le Duan, general secretary of the VCP Central Committee, stated in his important speech at the opening of this National Assembly session, our people are faced with extremely heavy historic tasks and their revolutionary cause still has to overcome many difficulties and obstations, but the prospects are very bright and fine for the revolution in our country. We have reason to affirm that under the leadership of the VCP, with ardent patriotism and love for socialism, with profound internationalist sentiments and with the traditions of unity, diligence, valor and creativity, it is certain that our people will victoriously carry out the strategic tasks of the Vietnamese revolution, successfully build socialism, firmly defend their beloved fatherland and fulfill their international obligation.

We pledge to devote all our hearts and min's to serving the fatherland and the people, fulfill the important tasks entrusted by the National Assembly and to strive, along with the entire people, to realize Uncle Ho's last wish to successfully build a peaceful, independent, democratic, prosperous and powerful Vietnam and make a worthy contribution to the world revolutionary movement.

We pledge to strive to take part in the struggle of nations and peoples throughout the world for the lofty objectives of our times--namely peace, national independence, democracy and socialism--and for international detente and security.

In this spirit, we heartily welcome and totally support the 23 June 1981 appeal by the Supreme Soviet to the national assemblies and peoples of various countries. This is a very important document typical of the Leninist foreign policy of the Soviet Party and state that is aimed at constantly waging a struggle to ease international tension and protect world peace. This document clearly reflects the will of parliamentary circles, responsible statesmen and billions of peace-loving people who desire to replace confrontation with dialogue in the current tense international situation caused by the policy of pursuing the arms race, intervention and aggression of imperialism and international reactionaries.

Dear comrade deputies, at present our people are launching a socialist emulation drive to greet the fifth national party congress with achievements. I hope that you will, in your official capacity, enthusiastically participate in this drive and encourage the people of all walks of life to do the same in order to successfully carry out the 1981 state plan and create the impetus for the rising emulation movement to implement the resolution of the forthcoming party congress.

I ask the comrade National Assembly deputies to convey, upon returning to your localities, our warm greetings to the compatriots and combatants throughout the country.

May the comrade deputies have good health and record outstanding achievements in productive labor, work, combat and study so as to make a worthy contribution to the cause of building a peaceful, independent, unified and socialist Vietnam!

CSO: 4209/484

# SPEECH BY COUNCIL OF MINISTERS CHAIRMAN PHAM VAN DONG

OW051251 Haroi Domestic Service in Vietnamese 1438 GMT 4 Jul 81

[Speech at 4 July closing session of the first session of the Seventh SRV National Assembly, published in Hanoi TAP CHI CONG SAN in Vietnamese No 7, Jul 81 pp 22-23-previously published in FBIS Asia and Pacific DAILY REPORT, Vol IV, No 128, 6 Jul 81, pp K7-K8]

[Text] Presidium members, comrade deputies: On behalf of the comrades of the Council of Ministers newly elected by the National Assembly, I wish to express to the comrade deputies our sincere and profound gratitude. [applause]

The trust you place on us is tantamount to being a rigorous demand, a rational expectation. At the same time it is the ardent, pressing demand and expectation of our people in the situation facing our country and our people for carrying out their tasks of building and defending our beloved socialist Vietnam fatherland. Each and every member of our Council of Ministers, through his sense of responsibility and revolutionary conscience, manifests his staunch and persevering will to struggle to fulfill his functions and tasks in accordance with the letter and spirit of the Constitution and the law on organizing the Council of Ministers newly adopted by the National Assembly. We pledge to devote all our energies and talents to develop the great past achievements, the available and widely emerging advantages we can find in all fields so as to overcome step by step the various difficulties, especially our weaknesses and shortcomings in our overall managerial tasks, mainly in managing the national economy and the people's lives.

An advantage that we must particularly develop is our country's splendid overall relations with the Soviet Union, with neighboring Laos and Kampuchea, with all other socialist countries, and its broad relations with fraternal countries and many other countries for the sake of the peace, friendship, national independence, democracy and social progress all over the world. We will strive to apply creatively and effectively the party's line whose major points were presented by Comrade Party General Secretary Le Duan at the National Assembly. They are the strategic policies that lead us in our steacy advance along the path of developing our national economy at present and in future. We will strive to stimulate, motivate and promote the overall potential of all sectors, localities and grassroots levels so as to create a comprehensive strength, a comprehensively strong posture, which at the same time are an extremely great strength and posture that will vigorously grow in the process of carrying out the right to collective mastery under the socialist system of our laboring people as institutionalized in many forms, at all levels and in all domains.

Based on all this, we will strive to strengthen the managerial capabilities of the state—an instrument of the dictatorship of the proletariat. We will strive to satisfactorily carry out state plans to manifest the superiority of the socialist system through practical deeds in everyday life and in the political, economic and cultural spheres. In carrying out our overall tasks, we will strive to act in accordance with the sacred testament of venerated and beloved President Ho Chi Minh. We will strive to be faithful servants of the people because only by being faithful servants of the people can we become their good servants. That is our most splendid, highly cherished aspiration.

We must all be deeply aware that our Vietnamese nation, our laboring people, our people in general are very rich in revolutionary mettle, valor, intelligence and creativity. Our people are always willing to struggle selflessly for the sake of their fatherland and socialism. They have established immortal, epic deeds in past and contemporary history and now, with the SRV's growth, will score victories whose importance we cannot yet assess. [applause]

Through this statement we reaffirm once again our weighty and noble tasks and at the same time express the enthusiasm and boundless confidence that we, that all of us, place in our Vietnamese people's glorious undertaking. [applause] In so doing we also invite the clearsighted and strict supervision by the National Assembly, by the comrade deputies who represent our heroic Vietnamese people.

Devoting everything to benefit our socialist fatherland, our people's happiness, let us steadily advance. [applause]

CSO: 4209/484

SRV NATIONAL ASSEMBLY'S STATEMENT RESPONDING TO THE SUPREME SOVIET'S 23 JUNE 1981 APPEAL TO THE NATIONAL ASSEMBLIES AND PEOPLES OF VARIOUS COUNTRIES OF THE WORLD

OWO41613 Hanoi VNA in English 1548 GMT 4 Jul 81

[4 July 1981 statement, published in Hanoi TAP CHI CONG SAN in Vietnamese No 7, Jul 81 pp 24-25--previously published in FBIS Asia and Pacific DAILY REPORT, Vol IV, No 128, 6 Jul 81, pp K8-K9]

[Text] Completely sharing the assessment of the world situation and the present primordial task of defending peace as pointed out in that noble appeal, the National Assembly of the Socialist Republic of Vietnam considers that the fundamental cause of the present tensio. in the world is the warmongering and aggressive policy of the U.S. imperialists.

They are frantically increasing military expenditures, stepping up the arms race, carrying out the plan of deploying medium-range nuclear missiles in Western Europe aimed at obtaining military supremacy, rekindling the cold war and sabotaging international detente. U.S. imperialism is using the other imperialist forces and other reactionary forces to interfere into the international affairs of Poland with the aim of severing Poland from the socialist community. It has increased its arms supply to the reactionary regimes in Southeast Asia ar Central America, increased support for the Israeli aggressors in the Middle-East and the racists in South Africa in order to oppose the national liberation movement, threatening peace, security, national independence and sovereignty of many non-aligned countries.

A striking feature of the present international situation is the increasing collusion between the United States and the Beijing reactionaries against the Soviet Union, the socialist community the revolutionary movement and world peace. With the complicity of U.S. Imperialists, the Chinese reactionary ruling circles are intensifying their policy of expansionism and hegemonism, continuing to provoke and threaten to invade Vietnam and Laos, support the genocidal Pol Pot-Ieng Sary clique, grossly interfere in the internal affairs of Kampuchea, press a number of countries to participate in the so-called "international conference on Kampuchea", thus undermining the genuine revolutionary cause of the Kampuchean people, sowing division between the ASEAN and Indochinese countries and causing tension in Southeast Asia.

In face of this situation, the Supreme Soviet calls on the parliaments and peoples of all nations in the world to actively work for peace, international security and cooperation. At the same time, it declares that the Soviet Union is threatening nobody, and is not striving to gain military superiority nor wants confrontation with any other country, but is [word indistinct] to conduct right now negotiations aimed at checking the arms race, carrying out disarmament and maintaining and promoting detente. Following the peace program presented at the 26th Congress of the Communist Party of [the] Soviet Union, the appeal of the Supreme Soviet reflects a high sense of responsibility of the Soviet Union, a multinational state which has made the most sacrifices and the best contributions to the peaceful life of humanity, and is playing the role of the firm bastion of world peace and revolution.

The National Assembly of the Socialist Republic of Vietnam fully supports the appeal of the Supreme Soviet of the USSR and is confident that it will win positive support from the parliaments and national assemblies of all countries and of the ruling and responsible circles throughout the world as well as warm response from the entire progressive mankind.

The Vietnamese people have made untold sacrifices in the protracted struggle against the most brutal imperialist and reactionary forces for independence, freedom and national sovereignty. That is why they are all the more conscious of the value of peace and deeply aspire for peace in order to rebuild their country. The National Assembly of the Socialist Republic of Vietnam and the entire Vietnamese people pledge to struggle side by side with the Soviet Union and the other socialist and peace-loving countries and the whole progressive mankind against the warmongering, aggressive, expansionist and hegemonistic policies of the imperialists and international reactionaries, for a peaceful, stable, friendly and cooperative Southeast Asia, for a lasting common peace on our planet.

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RESOLVED TO ACHIEVE SUCCESS ON THE GOODS DISTRIBUTION AND CIRCULATION FRONT

Hanoi TAP CHI CONG SAN [COMMUNIST REVIEW ] in Vietnamese No 7, Jul 81 pp 26-33

[Article by Do Muoi ]

Text 7 The situation concerning the economy and life urgently calls for drastic and comprehensive changes in the activities related to the distribution and circulation of goods. To bring about these changes it is necessary to carry out actively relatively uniform measures and policies in all spheres of activities—financial, trade, market management, pricing, wages and so forth—in accordance with the orientations and viewpoints set forth in resolution number 26 of the Political Bureau. The most important task is to push production ahead vigorously and intensify control over the sources of goods so as to create the conditions for stabilizing life, finances, prices, the currency and the market. The crucial problem in the distribution and circulation of goods at present is that of prices and wages.

Prices constitute an economic category that bears a highly synthetic character; they are influenced not only by the law of value but also by many other economic laws as well as by economic, political and social conditions; and they reflect in general many major relations in the economy. Therefore, prices constitute the most complicated problem related to the interests of all classes and strata of people in society; and this problem has become especially complicated in the first stage of the transition period toward socialism in our country—a stage in which the economy still consists of various elements and the struggle between socialism and capitalism is going on fiercely.

Upholding the dictatorship of the proletariat, the state can and should use prices as a sharp and effective tool to control the national economy. In view of this, the state should devise a correct pricing policy that is suitable for each stage of the revolution and that varies flexibly to meet the requirements of the political and economic tasks of that stage.

By 1964, after 10 years of socialist transformation and socialist construction in the North, our party and state had established a relatively rational pricing policy that had the effect of stimulating the development of production, controlling the sources of goods, insuring market order and stabilizing the people's life. However, since 1965, due to the war, we have not had stable conditions to continue establishing and perfecting the pricing system. Our shortcoming is that at a time when the situation

and tasks of the revolution have undergone basic changes as a result of the transition from peace to war and then back to peace and national reunification, the pricing system, instead of being adjusted promptly, has been "stabilized" in a rigid manner. Although some prices have been adjusted, this has only been done as a passive patchwork job, resulting in new irrationalities. Therefore, the current pricing system, with its many contradictions and weaknesses, is no longer suitable and causes many negative effects. Prices are now no longer based on value because the bases for determining the value of goods have changed drastically--including the changes in the costs of production and circulation, the serious imbalance between supply and demand and the rapid increase of prices of imported goods on the international market. The patchwork job done in the adjustment of prices has rendered irrational the ratio of prices of agricultural products over the prices of industrial goods. Prices are now no longer capable of fulfilling their functions regarding calculation, distribution and incentive. Irrationalities in the pricing system have hindered production and the circulation of goods and money, resulting in even higher state expenses to cover losses. Prices thus no longer serve as a sharp tool for the state-run sector to struggle effectively against the "free" market.

In view of this, the objective requirement of economic construction in the new stage is to establish a new pricing system; overcome a situation in which selling prices can neither cover production expenditures nor insure a rational margin of profit for production establishments and the accumulation of capital for the state; and eliminate falsely low prices brought about by the policy to compensate for losses and low prices that has so far been widely practiced under the financial subsidiration system. However, this is a big and difficult task as prices cannot be adjusted en masse in a hasty manner.

We know that prices and wages are closely related to each other. Given a fixed income, a change in prices will affect real income and the living standards of workers and civil servants will change accordingly. Therefore, in studying the problem of prices, especially retail prices of consumer goods--prices that are directly related to wages--we should not fail to consider the relationship between prices and wages.

In our country, during the period 1955-65, relations between wages and prices were tackled in a relatively satisfactory manner. The livelihood of office and manual workers and of the people of the various strata was further improved. Relations in income between workers and peasants were relatively rational.

Since then, due to the war and its consequences, many aspects of the economy have become imbalanced. Labor productivity has not shown any increase but has declined. We have not had favorable conditions to improve the wage system and decide on a wage increase. The wage system established in 1960 basically remains unchanged even though wages have increased nominally. Faced with the need to insure the livelihood of office and manual workers, the state has to maintain the retail prices of consumer goods, especially those essential for their livelihood. Due to economic difficulties, the quantities of goods provided by the state at established prices are too insufficient to be used to compute wages. Office and manual workers have had to use their salaries to buy additional goods from the "free"market at a much higher price than the state-established retail price. The relatively rational relationship between prices and wages previously established has been destroyed and the livelihood of office and manual workers has faced many difficulties.

What we have to do now is to strive to re-establish gradually a rational relationship between prices and wages. In a situation where the economy is still fraught with difficulties, we have no choice but to readjust prices at a time when conditions are inadequate for improving the wage system and affording wage increases. Therefore, in order to insure the people's livelihood, when dealing with prices and wages, we must adopt appropriate measures, taking into account the effect of prices on real wages. We must take necessary steps to insure that changes in prices will not adversely affect real wages, but instead will create conditions to increase real wages gradually, thus contributing to stalllizing and improving the livelihood of office and manual workers.

Facts show that we would be unable to stabilize the economic and financial situation, step up production and trade and, at the same time, stabilize the livelihood of the laboring people, especially office and manual workers, if we failed to tackle the problems of prices and wages.

That is why the Political Bureau has given this instruction: "At present, conditions are inadequate to improve prices and wages. Relying on the party's and state's main guidelines and regarding plans as an essential base, we must consider further improving the state-established price system in such a way as to suit the actual situation and then progress gradually toward the establishment of an official price system. We must not use the free market price (which is fraught with profiteering and sabotage factors) as a control base for prices and economic activities. We must take control of two price system; the first one is the relatively stabilized price system determined and enforced by the government (the purchase price for goods obtained from compulsory sales, the selling price for production means under two-way economic contracts, the retail price for essential goods and so forth). The second one is the price system applied flexibly in the trade transactions between the state-owned trade sector and cooperatives.

In parallel with further adjusting the price system, we must give wage subsidies to office and manual workers. The state-run trade sector must seek every way possible to insure the supply of all kinds of essential goods. All production sectors must base themselves on government policies and correctly apply various contractual forms such as piecework and product-based pay systems in order to increase incomes; and must strive to insure that the real salary of office and manual workers will not diminish, but will instead become more and more stabilized."(1)

Guidelines for distribution in accordance with the spirit of the Political Bureau's directive number 26 consist of: "Improving prices and wages and proceeding toward—abolishing subsidies in order to return to the normal trading form of using a monoprice system." Presently faced with a situation in which the economy has yet to be stabilized and wherein there remains a great imbalance between supply and demand; however, if we increase the price of goods and adopt a mono-price system in trading in order to equalize supply (total amount of goods in stock) and demand (total buying power), we would only be able to achieve a temporary balance in the total. This can in no way solve other aspects of balance within the structure of goods in stock and the demand by various kinds of consumers for different items. Although the total

amount of goods in stock, especially those goods essential for the people's livelihood (the price of which is now under state subsidy) has been kept up with the total buying power, we still cannot get enough supplies of these goods and their prices will certainly continue to fluctuate extensively. Additionally, in a situation in which goods are still in short supply, affluent people (whose money is earned primarily from their dishonest businesses) will compete for the purchase of all available goods, leaving nothing for people with limited budgets (most of them being office and manual workers). The state can also adopt a subsidy system to maintain a price very close to that of the "free market." In so doing, however, the state-established price will depend on the "free market" price (which is affected by the profiteering and sabotage factors). This will result in constant wage increases and the circulation of an increasingly larger amount of cash.

Experience gained by countries that have gone through wars shows that only after restoring production and achieving a balance between supply and demand (by increasing labor productivity, intensifying collection and purchase, and preparing a fairly sufficient source of goods and supplies), will it be possible to eliminate the supply system, stamps and coupons and the dual-pricing system; establish a new system of prices that are higher than supply prices but lower than commercial prices; and at the same time, effect wage reform (wage increases).

We know that if the supply system is retained, there is the possibility of abuse, speculation, shady dealings, theft and so forth. At a time when the economic situation is not yet stable and a serious imbalance still exists between supply and demand, however, we must choose between the two alternatives—either to retain the supply system with its possible abuse, speculation, shady dealings, theft and so forth and cope with these negative practices resolutely, or drop the supply system and let workers and civil servants buy goods on the market (either state—run or private) at prices that they cannot afford.

We retain the system of supplying essential commodities to workers and civil servants but we do not tolerate the system of subsidization; and it is necessary to reduce both the number of supply items and the number of recipients. We can, depending on the development of production and the market situation in the various areas (rural or urban), appropriately determine the variety of supply items. At the same time, we must actively take measures against speculation, theft and so forth; improve the methods and organization of supply; isolate supply stores from commercial shops and form them into a separate network; intensify control and management; and strengthen state discipline.

We deem that in the precent situation, the party and state are following a correct line and adopting a ra onal policy in adjusting the pricing system along with giving wage allowances to workers and civil servants and supplying them with essential commodities at stable prices so as to guarantee their real income.

I'o carry out the aforementioned orientations and viewpoints for solving the problem of prices and wages, it is necessary to effect the following measures in a uniform and active manner:

1. It is necessary to continue improving activities in the field of goods distribution and circulation so as to insure satisfactory development of production and state control over the sources of goods.

The results of the task regarding grain sales and the procurement of grain and other farm produce in the Mekong River Delta in the past show that the procedures and policies on buying and selling prices in practice between the state and peasants are appropriate. We must, on the one hand, continue to perfect buying and selling procedures and the new price system applied for grain and other farm produce on the basis of determining a rational price indexing relationship between industrial goods and agricultural products—which is now gradually taking shape—and of making studies as to how to apply the new system of the price indexing relationship to other products. On the other hand, we must consider establishing a rational and stabilized buying and selling system to be applied in trading transactions with agricultural cooperatives and production collectives.

The North and various provinces in former Zone 5 must, in this 5th month-spring crop, maintain the directed prices in compulsory trading transactions under two-way contracts signed between the state and agricultural cooperatives, and simultaneously must increase the buying and selling of agricultural products in excess of their quota (or the barter trading of goods in kind in accordance with a rational system of the price indexing relationship). Additionally, it is necessary to consider gradually adjusting the directed-price system for buying and selling activities in such a way as to suit the current actual conditions on the basis of establishing a more rational price indexing relationship between industrial and agricultural goods. With regard to the fishery, artisan and handicraft sectors, the state must consider readjusting the buying and selling prices in such a way as to suit the newly-established system of the price indexing relationship in industry and agriculture.

Scrupulously implementing directives 25-CP, 26-CP and 64-CP of the Council of Ministers in order to gather the sources of goods produced by the state-run economic sector into the hands of the state, enterprises must submit all the products they made under the three-part plan to the state-run trade sector. We must not let any enterprise, sector or locality retain some of their products without permission to trade them in "many ways" or to distribute them among their own members. The state must also take control of an absolutely great part of the source of goods in the areas of artisan industry and handicraft.

### 2. Satisfactorily manage the market.

Actual experiences have shown that, in order to satisfactorily manage the market, the state must uniformly and comprehensively apply three kinds of measures—economic, administrative and educational—of which economic measures are the mainstay. Recently, economic measures have not yet been satisfactorily applied in market management. The state-operated trade sector and marketing cooperatives have continued to flounder in confusion regarding trading methods. They have not yet overcome red tape, bureaucratism and subsidization, have not broadened their trade and service activities in the three fields of collection and purchase, wholesale and retailing and service, and have not

vigorously and flexibly implemented the dual-pricing policy. For this reason, they have not yet been able to effectively struggle against the "free" market. Moreover, we have failed to closely combine economic measures with administrative and educational measures and to promptly punish acts of speculation, smuggling and economic sabotage. We have also failed to satisfactorily educate the masses so as to prompt them to join the state in struggling against and checking speculation, smuggling, economic sabotage and so forth, as well as in satisfactorily managing the market and maintaining public order and security.

In the coming days, in order to promote production, control the market, normalize the people's living conditions and stabilize prices and finances, the state must resolutely carry out stringent market management measures such as promulgating an order prohibiting private individuals from trading a number of commodities on the market which fall under the exclusive management of the state--including gold, foreign currencies, gasoline and oil, fertilizers, insecticides, cigarettes and so forth, and some luxury imports such as foreign-made cigarettes, beer and win. Any violator of such an order must be dealt with according to the law and his goods confiscated. Anyone engaged in trade must register and display the prices of his goods. We must strictly control all trading activities in the market. Any violation of the state regulations on market management such as failure to register one's business, selling goods above posted prices, and so forth must be dealt with severely. We must coordinate the activities of the economic public security forces with mobilizing the masses at the grassroots level to track, unmask and punish speculators and smugglers. We must pay attention to punishing cross-border traffickers, embezzlers, bribe givers and takers and economic saboteurs.

Along with implementing administrative measures, we must urgently expand socialist trade in all the fields of collection and purchase, wholesale, retailing and service so as to control most of the wholesale activities, dominate retailing and exert mastery over the market. We must expeditiously develop the state store and marketing cooperative network to satisfactorily sell goods to the people, supply goods to cadres and workers and take over the market. We must immediately establish a collection and purchase network and link it with the network for the procurement of supplies and commodities—such as gasoline and oil, fertilizers and so forth—and the bank network so as to satisfactorily meet the requirements of production and collection and purchase while making shopping more convenient for the people. The central sectors and local authorities must take the initiative in adopting all necessary measures to increase goods supplied and firmly control the sources of goods in the state-operated sector, in cooperatives, in individual hands, in the production sector and in the trade system. This is for the purposes of promoting the retailing of goods, lowering prices in the "free" market and preventing sudden increases in market prices.

# 3. Estisfactorily carry out goods distribution.

In view of the scarcity of goods, goods distribution is a very important measure aimed at insuring that the various party and state positions and policies regarding distribution and consumption are satisfactorily implemented. We must adopt a correct stand and policy concerning goods distribution.

At this juncture, our goods distribution policy must fully reflect the following principles:

- -- The rear must care for the front, and the state and the people must care for the armed forces;
- --Grain and foodstuffs must be concentrated for the cities and industrial somes; adequate amounts of industrial goods must be set aside for distribution to the rural areas; this distribution must be coordinated with the implementation of the collection and purchase policy;
- --Children and sick persons must receive adequate cure;
- --Greater attention must be given to production and the livelihood of the people in mountainous areas so as to clearly reflect the party's policy regarding various nationalities; and
- -- The entire country must care for the capital.

#### 4. Manage prices.

Prices concentratedly reflect numerous policies and bear on many relations in the economy, such as relations between accumulation and consumption, relations between agriculture and industry, relations between workers and peasants, and so forth. Therefore, in fixing prices, we must take into account many factors, proceed with care and guard against arbitrariness. We must revise without delay the system of collection and purchase prices, supply wholesale prices, factory wholesale prices and industrial wholesale prices so as to provide incentives for production, rationally cater to the three economic interests, and concentrate goods and money under state control. We must revise retail prices to eliminate irrational loss-compensation appropriations in the budget. Such a revision, however, must be carried out gradually, carefully and differently with each type of goods. We must implement more broadly the dual-selling price policy on the condition that the provision of necessities to workers, civil servants and the people at stable prices can be insured and that we have sufficient goods to sell regularly and to effectively compete with market prices.

#### ). Insure realistic wages for workers and civil servants.

By satisfactorily concentrating goods and money under state control and satisfactorily managing distribution, the market and prices, the state will be able to firmly maintain realistic wages and living standards for workers and civil servants by rationing staple commodities such as grain, meat, fish, sauce, sugar, fuel, monosodium glutamate, fabrics, soap, vegetables and salt. It will also be able to insure the distribution to workers and civil servants—according to appropriate procedures—of commodities such as bicycle spare parts including chains, sprocket wheels, inner tubes and tires; rush mats, waterproof plastic sheets, small table electric fans, thermos bottles and tea.

On the other hand, the state must broaden the application of the contract-based and product-based wage systems, and the payment of allowances to compensate for

fluctuations in the prices of commodities, including some commodities the prices of which are increased by the state.

To insure the supply of staple commodities in fixed amounts and at state-directed prices to workers and civil servants, the home trade and grain sectors must step up the collection, purchase and circulation of goods, improve the goods distribution methods, and apply increasingly progressive standards and procedures in the supply of these commodities. The financial and home trade sectors and the Vietnam Conferderation of Trade Unions / VCTU / are responsible for devising supply procedures and methods and closely controlling their implementation so as to insure that authorized persons can buy the goods intended for them.

The Ministry of Labor must work in coordination with the VCTU to closely supervise the implementation of decision 26-CP of the Council of Ministers on contract-based and product-based wages and to guide the formulation and application of a new compensation plan based on basic wages plus allowances. After the new compensation plan comes into effect, we must correct all errors and violations of the general regulations and prevent the arbitrary formulation and application of compensation plans and norms related to the payment of contract-based and product-based wages.

# 6. Uniformly manage finances.

Along with the aforementioned measures, the state must promote measures aimed at placing finances under uniform management; increasing revenue (including that derived from the state-operated sector's income and from taxes collected from the collective sector and individuals); reducing expenditures, especially capital construction, national defense and administrative expenditures; and strengthening state unity and discipline regarding finances, the issuance of currency, prices and wages. We must adequately concentrate the sources of revenue of the state budget and the sources of cash. At the same time, we must absolutely reduce spending so as to provide money for the collection and purchase of goods, the payment of wages, the supply of goods according to the new price system, the application of a new compensation plan, and the achievement of budgetary and cash balances. We must improve the management and regulation of cash flow, broaden cashless settlements and improve the organization and work of receiving and paying savings. On the other hand, the state must study the revision of the various financial policies and systems so as to improve and strengthen the financial management of enterprises according to economic accounting procedures. It must improve the decentralization of financial management and broaden the financial independence of localities and grassroots units on the basis of the principle of democratic centralism. At the same time, the state must improve banking operations so as to transform the banks into state organs for credit, monetary and settlement management and also into business and accounting organizations for the entire financial sector. As such, the banks must assume responsibility for the unified management of the insuance of currency. On the other hand, they must bear full responsibility for the effectiveness of the distribution and use of their capital and for any losses incurred in their operations. The state banks must expand their credit operations according to the principle that economic effects must be insured, that debts must be collected on schedule and that capital invested must produce profits. Together with various enterprises and organs, the state banks must examine the cash

funds of these enterprises and organs and set new limits for these funds so as to concentrate capital in the banks. In so doing, however, the banks must avoid hindering production and trade activities. Settlements by cash transferred through the banks must be expanded. The bank network must be broadened, savings promoted and all sources of revenue promptly concentrated to meet expenses and satisfactorily serve customers.

We are carrying out the 1981 economic tasks at a time when the material and financial imbalances in our economy have not yet been overcome. Therefore, we must hold fast to the concepts, policies and measures laid down by the party and the state and correctly carry out the spirit of the Political Bureau directive, which said:

"Supporting and promoting production and supporting the people's life must be the primary objective of all distribution and circulation activities.

We must revise the various distribution and circulation policies, systems and procedures so as to encourage production and to insure the constant development of the socialist economic sector in conjunction with satisfactorily using and managing other economic sectors. We must continue to overcome the mode of management characterized by red tape, bureaucratism and subsidisation, implement the principle of democratic centralism and to broaden the independence of localities and grassroots units in financial and trading operations. At the same time, we must resolutely struggle against fragmentation and arbitrariness and promptly check disorganization and the lack of discipline.

We must correctly combine three kinds of measures—of which economic measures are the mainstay—while vigorously applying administrative measures. We must struggle against speculation and smuggling, oppose the negative practices in society and restore order in the economy and the market. We must intensify ideological indoctrination so as to prompt all people to see the present situation and their tasks more clearly, to actively carry out production and their duties, to build the country in an economical manner and to be alert to all the insidious schemes of the enemy."

In order to achieve success in the struggle on distribution and circulation, we must be able to increase production and the state must be able to control goods, money, prices and the market. If the state fails to gain control of goods, all its good intentions to improve the situation will be worthless. By the same token, if the state fails to gain control of the market and to effectively struggle against the scourge of speculation and smuggling which is upsetting the economy and the market, it will not be able to carry out its correct policies regarding distribution, circulation and production development and, especially, it will not be able to resolve the current wage and price problems.

This struggle is a test of the organizational skills of the state of the proletarian dictatorship. The present difficulties must be overcome, the economy and the people's living conditions must be improved, and the economic order must be restored—these are the aspirations of all the people. The factor deciding the success of this struggle is that the ranks of our fighters must be united in their will and action, must take

the initiative in continuously launching attacks until final victory, and must not fall into skepticism as this will lead to irresponsibility and failure.

#### FOOTNOTE

1. Political Bureau directive dated 19 May 1981 on continuing the implementation of resolution number 26 on improving distribution and circulation.

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#### THE FUNDAMENTAL PROBLEMS OF THE PRESENT PRICE POLICY

Hanoi PAP CHI CONG SAN [COMMUNIST REVIEW ] in Vietnamese No 7, Jul 81 pp 39-46

[Article by Professor Doan Trong Truyen]

Text There is a social position within the economy and within the socialist economic management system. They serve the function of calculating value and measuring the amount of social labor expended. Through this function, prices become an indispensable tool in the planning of the national economy.

Within the economic management system, prices are an effective and flexible tool for organizing the various economic relationships through the price functions of distributing national income and serving as economic levers.

In socialism, the long-range interests of society, the interests of the collective and the interests of the individual worker are, for the most part, identical; however, there are minor, temporary antagonisms that must be correctly resolved. The price system must insure the good coordination of these three interests.

In the period of transition, due to the existence of antagonisms among the different segments of the economy (the socialist economic segment and the non-socialist economic segments), prices have the effect of resolving these antagonisms and insuring the victory of socialism in the struggle between socialism and capitalism.

The improvement of the price policy and price system at this time must be placed within the framework of improving economic management, establishing the new system of economic management and thoroughly comprehending the party's economic construction and development line. We must take a comprehensive point of view, that is, must view the price problem from the point of view of the national economy as a whole, must make planning the central tool, correctly express the three economic interests and closely coordinate price levers with the other economic tools in order to have a coordinated impact upon the national economy in keeping with the guidelines and objectives of the party and state.

The previous state price system was incomplete and inefficient in many ways. For a period of 15 years, due to the circumstances of the long war, we could do very little to adjust the price system. Since then, especially since the South was liberated and

the country was reunified, economic and social conditions—the objective bases of the price system—have undergone many changes in a number of important areas:

- 1. Production costs and commodity circulation costs have changed and caused the value of commodities to increase; now that intensive cultivation and multicropping are starting to be practiced in agricultural production, it has not only been necessary to invest additional labor, but also to provide an increased supply of fertilizer and petroleum products, especially in the Mekong River Delta; the opening of new farmland in wilderness areas, which are less fertile, has caused initial costs to rise; the harvesting of timber and other forestry products has moved gradually into the deep forests, thus causing transportation costs to rise, and we have had to concern ourselves with protecting the forests and replanting new forests in order to have timber to harvest later; many minerals cannot be mined as easily as previously; the production of many goods in local industry and small industry has had to be shifted to production by hand using sources of substitute materials or discarded materials, consequently, processing costs are higher; because equipment and machinery are broken and not well matched, because energy and raw materials are in short supply and because of poor management, the prices of important industrial goods and communications-transportation prices have risen significantly compared to the 1960-1965 period and some are even higher than they were in 1975 and 1976. This rise in the value of goods reflects the objective conditions of production and business at this time, which are more difficult than they once were; however, another important reason is the subjective causes found in planning, organization and management.
- 2. The prices of materials on the international market have been high since 1970; however, as a result of the Soviet Union maintaining development prices for us, we have been able for a long time to keep the wholesale prices of materials at a very low level but the state has incurred large losses. If they were calculated at world market prices and actual exchange rates, the prices of imported materials would be many times higher. Because domestic labor productivity and the efficiency of the use of imported materials have not changed at all, increases in the wholesale prices of materials and the production costs of many types of industrial and agricultural products have been inevitable.
- 3. The ratio between agricultural product prices and the prices of industrial goods has become unreasonable. For many years, due to the need to support agricultural production, the state frequently increased the purchasing prices of agricultural products but kept the prices of instruments of agricultural production and essential consumer goods at a stable level. This led to a very unreasonable ratio between the prices of industrial goods and the prices of agricultural products (1 kilogram of urea = 1 kilogram of paddy; 1 liter of diesel fuel = 0.8 kilogram of paddy; 1 meter of fine cloth = 4 kilograms of paddy and so forth). This situation has posed many difficulties to the effort to balance the budget and the supply of money, to establishing the relationship between industry and agriculture, between the living conditions of manual workers and farmers and is not consistent with the objective requirements of economic development in the initial stage of the period of transition.

4. The amount of money in circulation has been constantly increasing at a time when production has been developing slowly, commodities are in short supply and the purchasing power of the dong has declined. These factors have had a major impact upon the formation of prices and the specific level of prices; recently, however, these factors have not been taken into consideration, thus causing the directed prices of the state to become artifically very low.

In view of the changing conditions mentioned above, "the system of state prices is no longer suitable and is having a negative impact in many areas. Prices are no longer based on value...; the ratio between the prices of agricultural products and the prices of industrial goods has become unreasonable. Prices are no longer able to fulfill the function of calculating value, the function of distributing income or the function of serving as an economic lever..."

As an economic category, prices are formed on the basis of certain socio-economic conditions and are governed by objective economic laws. For this reason, whenever these socio-economic conditions change, the price system must be suitably adjusted as this is the only way to develop the impact of the various functions of prices in order to support the economic and political tasks of the party and state in the best possible manner.

Prices have no objective "of their own." Prices are designed to serve the economic and political objectives set forth by the party and state during each period. In the immediate future, the improvement of the price policy and price system must be directed toward the following primary objectives:

- 1. Stimulating and supporting the strong development of production, most importantly agricultural production, the consumer goods industry (including small industry and the handicraft trades) and the production of export goods. Fo accomplish this, prices must cover production costs and provide a satisfactory profit to production units; prices must not only provide incentive at places that have favorable conditions, but mutt also provide incentive for production at places that have difficult conditions and low productivity but produce products needed by society.
- 2. Prices must help to stabilize and gradually improve the living conditions of the working people, with the most pressing need being the need to prevent the real wages of manual workers and civil servants from declining further and providing a reasonable income to farmers, fishermen and handicraftsmen so that they produce with enthusiasm.

On the other hand, prices must help to bring about the redistribution of national income among the various strata of society and regulate the unreasonable income of those who earn their livings illegally (speculators, snugglers and so forth).

3. Prices must help to stabilize the national financial system, reduce unreasonable losses, accumulate capital for the state and strengthen the purchasing power of the dong. Only by developing production and raising the economic ruturns from production and business is it possible for calculations concerning the adjustment of prices for the purpose of increasing the accumulation of capital for society and increasing the revenues of the state budget to have the necessary foundation. For this reason, prices

must first of all stimulate and provide incentive for millions of laborers to work with enthusiasm, increase their economic efficiency and lay the basis for increasing the accumulation of capital and budget revenues.

On the basis of developing production, prices play an important role in establishing a satisfactory relationship between accumulation and consumption, centralizing the sources of accumulated capital in the hands of the state and balancing the budget. Therefore, it is of pressing importance to adjust the wholesale prices of materials and revise enterprise wholesale prices and industrial wholesale prices so that they are consistent with present production and business conditions. We must closely link the lever of wholesale prices to the state-operated enterprise revenue system and the profit distribution system in the form of an effective economic mechanism for enterprises designed to orient the operations of enterprises toward raising labor productivity and improving management in order to reduce production costs and, on this basis, correctly coordinate the three interests: the interests of society, the interests of the enterprise's collective and the interests of the individual worker.

- 4. Through the price policy, it is necessary to support socialist transformation by insuring that prices help to consolidate and strengthen the forces of the socialist economy (state-operated and cooperative) in the field of production as well as in the field of distribution and circulation and applying a preferential, discriminating price structure for cooperatives and production collectives as opposed to private farmers in order to help collective economic organizations develop their production, improving the living conditions of their members and strengthen the new production relations. We must implement a cost of living mechanism in both purchases and sales in order to help socialist commerce centralize the sources of goods, broaden its business and service network, gradually become the master of the market and expand its role in leading and transforming the "free" market.
- Derices must help to abolish the style of management characterized by administrative bureaucracy and subsidies and truly implement the socialist mode of business. As an important factor of the economic management system, prices must be adjusted or established in a well coordinated manner (from the wholesale prices of materials to enterprise wholesale prices and industrial wholesale prices); there must be close coordination between prices and the other economic levers, such as profit, wages, bonuses, credit and so forth, in order to develop the effectiveness of the system of economic levers and implement the new mode of business based on cost accounting.

The adjustment of prices must be carried out on the basis of the following primary principles and foundations:

1. Correctly resolving the price problem in the relationship between value and use value.

Prices are the expression of the value of goods in the form of money. V.I. Lenin stated: "Value is the law of prices." Prices express value in the form of money but the essence of value is the amount of social labor needed to create use value.

becomes the objective of the production of goods and, as a result, the objective of prices. The relationship between use value and value is the relationship between objective and means; use value and value go hand in hand. For this reason, socialist prices are also the means for achieving the objective of social production, namely, creating much material wealth at the lowest possible cost in order to satisfy the rising needs of society and man.

Prices must compensate for the costs of production and circulation in accordance with strict ceilings on the consumption of labor and the consumption of materials that are consistent with the realities of the production and circulation of each type product; as regards agricultural production, fishing and the mining of minerals, prices must compensate for costs on the basis of the natural conditions of each area, the conditions involved in accelerating intensive cultivation in place of non-intensive cultivation, the conditions involved in mining minerals and harvesting forestry products, which are becoming increasingly difficult and costly, etc.

while concerning ourselves with providing incentive for production under difficult conditions, we still must always try to overcome the practices of "operating at any cost," of not calculating economic returns and of taking advantage of lax cost accounting to push prices upward artificially, to conceal misappropriation and waste of materials and capital of the state and to keep profits for one's unit, which lead to the devaluation of the dong. On the other hand, for many years to come, our country must do everything possible to create a large use value by making full use of our abundant labor force, which is still experiencing a shortage of work, and good use of the existing capabilities that lie in our natural resources, arable land, forests, ocean waters, minerals, etc. Prices must help to absorb additional labor in production at places where production conditions are more difficult; this might result in lower labor productivity due to the need to utilize manual labor and to higher production costs but the social labor productivity of 25 million employed workers will create a larger gross social product.

2. Taking the prices of the international market into consideration.

An increasingly broad division of labor among countries and increasingly close international economic relations are trends of development in the present age. Under these conditions, prices become a very important standard reflecting the interests of the countries participating in the world economic system.

Changes in prices on the international market directly affect the prices of our country. Paking these changes in prices on the international market into consideration is an objective necessity. Moreover, this is a requirement in calculating the economic returns from exports and imports.

for many years, due to the fact that our country's economic relations with the world (first and primarily with the Soviet Union) have been established through the system of development prices, we were temporarily protected from the negative impact of price changes on the world market. At the same time, however, due to shortcomings on

our part, this caused domestic prices to be artificially low, to not accurately reflect the standards of economic returns in international trade relations and to cause waste within the country. For this reason, the adjustment of the prices of imported materials has become a pressing need. The wholesale prices of imported goods must be calculated on the basis of new import prices for the period from 1981 to 1985 and the new balance of accounts exchange rates; generally speaking, wholesale prices will increase rather significantly. This will have a very large impact upon the economy; therefore, we must correctly and thoroughly calculate the factors involved in the formation of prices (import prices in foreign currency, exchange rates, the profit level in the wholesale prices of imported goods and enterprise wholesale prices, the level of state-operated enterprise revenues and other revenues in the state budget and so forth).

3. Prices must be consistent with the purchasing power of the dong.

On the one hand, prices are under the impact of the quantitative factors in the value of goods and, on the other hand, under the impact of the value of currency itself. When the purchasing power of the dong declines, prices increase; this is unavoidable. One of the shortcomings in pricing activities in the recent past has been the slowness with which prices have been adjusted to correspond to the decline in purchasing power of the dong, the failure to promptly adjust prices accordingly in order to compensate for production costs (especially with regard to products produced by farmers, fishermen and handicraftsmen, who must live partially on the basis of "free" market prices) and the failure to promptly adjust prices in order to regulate supply and demand, which have become seriously imbalanced due to the issuance of additional currency.

Prices must be adjusted in such a way that they are consistent with the purchasing power of the dong, not adjusted on the basis of the purchasing power standard of the dong on the "free" market, but the socialist market; on the other hand, the value of the dong must be strengthened and prices must be stabilized on the basis of regulating the flow of money, tightly managing cash, making effective use of monetary tools, prividing incentive for the development of production, strengthening the state's control over the sources of goods and improving market management.

4. Establishing the correct relationships within the national economy, primarily the relationship between industry and agriculture as expressed in the ratio between the prices of industrial goods and the prices of agricultural products.

the ratio among prices is always one of the basic matters in price planning. A reasonable ratio reflects the relationships involved in the expenditure of social abor to produce commodities by the various parties participating in trade. At the same time, the price of each product can be separated, within a given scope, from the value of the product, consequently, the ratio among prices can also be separated from the ratio among the production costs mentioned above. By using this ability to reparate one from the other, the state can implement various policies designed to provide incentive for or restrict the production and consumption of different products.

In adjusting the ratio between the prices of agricultural products and industrial goods in the present stage, it is necessary to resolve the following problems:

- + At present, this price ratio is narrow and very unreasonable and significantly affecting economic relationships; therefore, the ratio between these prices must be broadened. In broadening this ratio, it is necessary to act in a cautious manner and on the basis of sound financial foundations. The first standard that must be taken into consideration when establishing this price ratio is that producers must earn a profit, farmers must be satisfied and enthusiastic in production and the state must accumulate a reasonable amount of capital.
- + whe economic returns achieved when using the instruments of agricultural production vary from one area to another, from one mode of farming to another and even from one season to another; therefore, it is necessary to establish different price ratios for each area, even for each different season, and to take into consideration the costs of clearing land or initiating intensive cultivation or multicropping on a widespread basis.
- + The state uses the different price ratios to distinguish between collective farmers (in cooperatives and production collectives) and private farmers in order to help consolidate and strengthen the new production relations in the countryside.
- + The price ratio relationship mentioned above should not be viewed as immutable, rather, it must be regularly examined and adjusted to be consistent with the characteristics of economic development during each period of time.
- 5. Establishing a satisfactory relationship between prices and wages, between maintaining living conditions and increasing the accumulation of capital for the state.

Prices (especially the retail prices of consumer goods) and wages are closely interrelated. With nominal wages set at a specific level, if prices change, real wages and the standard of living of wage earners also change. Therefore, when thinking about adjusting the prices of retail goods, the close relationship between prices and wages absolutely must be taken into consideration.

In the present situation, one pressing requirement is the need to maintain the standard of living of manual workers and civil servants and improve it somewhat instead of allowing it to decline. However, the effort to resolve the problem between wages and living conditions at a time when commodities are still in short supply, the monetary pressure in circulation is very high and the incomes of the various strata of the people vary very widely demands the selection of effective measures. If we merely adjust supply and demand in terms of value by increasing the prices of all goods close to market levels in order to sell them normally and, on this basis, raise wages accordingly, market prices will surely soar, manual workers and cadres, even with their newly increased wages, will be unable to purchase a fficient goods and large difficulties will surely be encountered in their daily lives and the entire economy.

Therefore, it would be more correct to take the following measures:

- + Providing a supply at stable prices of a number of essential goods under ration standards stipulated for cadres and manual workers by the state. The commerce sector should have a separate supply system for these products and the state budget should compensate the commerce sector for its losses.
- + Raising the income of manual workers and civil servants by creating additional work for them, improving the way in which they are paid (contract wages, piecework wages) and improving the bonus system.
- + Adding a cost of living subsidy to wages.

As regards goods that are not used to meet the essential needs of everyday life, the state should implement a normal sales policy in order to struggle against the "free" market, regulate supply-demand and income and compensate for the losses incurred in the sale of essential goods at low prices.

While adjusting purchasing prices in order to develop production and establish the correct relationship between retail prices and wages, we must also establish the correct relationship between accumulation and consumption to insure that the economy develops steadily and to create the conditions needed to carry out socialist industrialization. The price policy must insure that enterprises and cooperatives operate normally and earn a profit and that the state accumulates capital. When establishing agricultural product purchasing prices by area, consideration must be given to concentrating a portion of the land rent differential in the hands of the state in areas that are blessed by nature. Adjusting prices in order to eliminate unreasonable losses does not mean that every product must yield an equal profit or that the price of every product must accurately reflect its value. If prices were established on the basis of this principle, prices would, in actuality, be turned into a simple tool of calculation and lose all of their value as a tool of distribution and a lever; it would be impossible to establish the various relationships correctly and also impossible to resolve the problem of the wages and living conditions of manual workers and civil servants. Conversely, we can, on the basis of applying the price mechanism, separate value from the price of each type product and implement the policies of the party and state; some products can be sold below their value and some can be sold above their value in accordance with the law that the total price equals the total value of all goods.

6. Establishing the correct relationship between planning and the use of market relations, between the directed prices of the state and "free" market prices.

Our country's present market structure consists of two types: the planned market and the unplanned market; as a result, there are two price systems that are under the control of two different types of laws. These two markets lie within the same entity; they cannot be separated, rather, they have an impact upon one another and are clearly evident in the field of prices. For this reason, in the guidance of prices, it is necessary to use planning as the main tool, that is, prices must be

formed in a planned manner in accordance with the requirements of the line and policies of the party. It is necessary to avoid two incorrect tendencies:

- + The first tendency is the tendency to view "free" market prices as the standard that correctly reflects the social value of goods and, as a result, the standard of every price adjustment.
- + The second tendency is the tendency to view the system of state prices as the only system, to not take into consideration the objective existence of prices on the unorganized market and not take the initiative in using directed prices to have an impact upon the formation and application of prices on the "free" market and guide it in a direction in which it develops in the same orb as and is dependent upon directed prices.

For this reason, now, more than ever before, the guidance of prices must be based on the directed prices of the state and involve the correct application of the two price system: the relatively stable prices set by the state and "flexible" prices in order to wage the market struggle, regulate supply and demand and endeavor to stabilize prices on the "free" market.

On the basis of the present situation and the objectives that prices must support, the price policy guidelines for the coming period are: "adjusting prices in order to stimulate production, especially agricultural production; eventually improving the entire system of state prices so that prices more fully reflect reasonable costs in production and circulation and insure that producers earn a satisfactory profit; prices must be consistent with the purchasing power of the dong and reflect consideration of the price of imports from the world market; unreasonable losses by the state must be eliminated as must the practice of production and business enterprises operating at a loss due to incorrect prices..."(Political Bureau resolution number 26 NQ/TU dated 23 June 1980). The immediate guidelines are: "Gradually adjusting the system of state prices to be consistent with the actual situation and gradually establishing a new price system; not using 'free' market prices, 'including the factors of speculation and sabotage, as a basis for guiding prices and economic activities; controlling and guiding both price systems: the system of relatively stable prices established and announced by the state (purchasing prices for purchases made under obligations, the prices of instruments of production under two-way economic contracts, the retail prices of essential goods and so forth) and the system of flexibly applied prices in the business activities of the state and cooperatives" (Political Bureau directive 109 dated 19 May 1981).

In order to carry out the price guidelines and tasks mentioned above, it is necessary to firmly adhere to the formula of the price policy for the immediate future: "Gradually adjusting and stabilizing prices, struggling to maintain prices and pull prices on the 'free' market downward while gradually establishing the new price system." Establishing a new price system on a sound economic basis, a system that reflects the value of commodities and insures that prices fulfill their function as an effective economic tool is a very pressing demand of the economic development task in the 1981-1985 state plan and is an objective of price activities in the coming period.

However, in a situation in which the economy is not stable, the supply-demand relationship and the relationship between money and commodities are not balanced and the market is changing, the bases upon which prices are formed are also changing. Therefore, it is impossible to immediately establish a new, reasonable and stable price system, rather, a gradual process of ad'istment is required. In conjunction with adjusting prices, we must gradually stabilize prices and struggle to become the masters of the "free" market. Many such adjustments will help to develop the economy in a more stable and balanced manner, that is, will lay the premises for establishing correct bases for forming a new, reasonable and stable system of prices. This will involve an arduous struggle to carry out socialist transformation and socialist construction, develop production, stabilize the economic situation and living conditions, gradually build material-technical bases, reorganize and improve management and strengthen our dictatorship of the proletariat and system of socialist collective ownership.

7809 CSO: 4209/484 THE DIALECTICAL RELATIONSHIP BETWEEN THE NATIONAL FACTOR AND THE INTERNATIONAL FACTOR

Hanoi TAP CHI CONG SAN [COMMUNIST REVIEW ] in Vietnamese No 7, Jul 81 pp 47-53

[Speech by Hong Chuong at the International Conference on Scientific Theory held by "Issues of Peace and Socialism" Journal in coordination with the Central Committee of the Hungarian Workers' Socialist Party at Balaton Lake from 5 to 7 May 19817

[ ext ] Dear Comrades and Friends,

We are very happy and excited to participate in this International Conference on Scientific fleory held by "Issues of Peace and Socialism" Journal in coordination with the Central Committee of the Hungarian Workers' Socialist Party. On behalf of the persons engaged in theoretical work within the Vietnam Communist Party, we extend to you are warmest greetings. We also extend our deepest thanks to our hospitable hosts, our Hungarian comrades.

Deal Comrades and Friends.

As the sons of a nation that was oppressed and exploited by imperialism for 117 years, a nation that relied upon the international solidarity of the socialist countries, of the communist and worker movement, of the national liberation movement in order to struggle to win back its national sovereignty, we are very concerned with the theme set forth by the organizers of this conference: "The dialectic of the nation and the world within the international communist and worker movement." This theme is of interest to us because it is related to the theoretical work and practical work of our party. Sheding light on this theme from a theoretical point of view will help up to perform our practical work better. We are firmly confident that, through the exchange of opinions conducted at this conference on scientific theory, we will learn much of value.

Below, we have presented a number of experiences of the Vietnamese revolution that are related to the theme "the dialectic of the nation and the world within the international communist and worker movement."

Dear Comrades and Friends,

Practically all of the communists of Vietnam have travelled the course travelled by Ho Chi Minh, the person who founded and forged the Vietnam Communist Party, that is,

the course from patriotism to communism. At first, we, the patriots of Vietnam, knew nothing about Marxism-Leninism. As persons who had lost their country, we searched for a course that would save the country. After many setbacks and much suffering, we discovered Marxism-Leninism. We found in this philosophy a scientific theory, an effective weapon for struggling against the aggressors and liberating our country. We also found in it the guidelines for building our country once it had been liberated from foreign domination. In the revolutionary struggle, while studying harxism-Leninism and performing practical work, we came to understand that only socialism, only communism could liberate the oppressed nations and laboring people of the world from the yoke of slavery. As a result of adopting Marxism-Leninism, the Vietnamese revolution had a correct course to follow and faced the prospect of victory. The victory of the Vietnamese revolution is the victory of Marxism-Leninism in our country.

Whereas, in the western capitalist countries, the communist parties were born on the basis of combining Marxism-Leninism with the worker movement, in Vietnam the communist party was founded on the basis of combining Marxism-Leninism with the worker movement and the patriotic movement. For this reason, the Vietnam Communist Party not only has a base in the cities and industrial complexes, where the working class is concentrated, but also has a base throughout the vast countryside, where there is no working class, only farmers and other strata of patriots. This insured that the leadership of the party encompassed the entirety of our country. The party also drew into its ranks outstanding elements within the stratum of patriotic intellectuals. From the very outset, the party emerged as the leader of the patriotic movement, brandishing the banner of national independence and the banner of socialism. The party is the vanguard unit of the working class, practices Marxism-Leninism and is recognized by the Vietnamese people as the leader of the cause of national liberation, as the vanguard unit of the entire nation. Because the number of persons within our party from the working class was small, our party has attached particular importance to teaching Marxism-Leninism and the proletarian stand to its cadres and members.

Because it operated under the circumstances of a colony, our party firmly grasped the close relationship between the colony and the "mother country." Ho Chi Minh compared imperialism to a leech with two suckers, one sucking the blood of the proletariat in the mother country and the other sucking the blood of the proletariat in the colonies. He also compared the proletarian revolution to a bird with two wings, one of which is the national liberation revolution in the colonies and the other of which is the proletarian revolution in the mother country. The relationship between the proletarian revolution in the "mother country" and the national liberation revolution in the colonies is a relationship of mutual support. The support of the proletariat in the "nother country" has a positive impact upon the revolution in the colonies. The national liberation revolution in the colonies also has a reciprocal impact upon the proletarian revolution in the "mother country." While placing the revolution in the colonies in a close relationship with the revolution in the "mother country," our party maintained that the revolution in the colonies should not wait until victory has been won in the revolution in the "mother country" to break out. Our party emphasized the independent nature of the national liberation revolution in the colonies and asserted that, in the present age and under certain favorable

conditions, the national liberation revolution can win victory in the colonies first and become a source of tremendous support and inspiration to the proletarian revolution in the "mother country." Ho Chi Minh said that the colonies, the places that supply food and soldiers to the imperialist countries, are of very important significance in the survival of imperialism: "If we want to defeat the imperialist countries, we must first deprive them of their colonies."

All of the peoples in the colonies have a common enemy, imperialism, and must unite together to fight this common enemy in order to win their national independence. The enemies of the oppressed peoples in the colonies are also the enemies of the working class and laboring people in the "mother country." The oppressed peoples in the colonies and the working class and laboring people in the "mother country" must unite to topple their common ememy. However, to win independence and freedom, every oppressed nation in the colonies cannot rely upon or wait for the victory of the proletarian revolution in the "mother country" to bring them their liberation, rather, they must first rely upon their own forces, must liberate themselves.

Our party maintains that, in the present age, only by following the course of the proletarian revolution is it possible for the national liberation revolution to develop in exact accordance with the objective trend of history and win firm victory. Ho Chi Minh wrote: "There is no other path for saving the country and liberating the nation than the path of the proletarian revolution." Our party maintains that only socialism and communism can bring true and total independence to each nation and insure that the oppressed nations are forever freed from the yoke of slavery and enjoy a life of comfort and happiness. The national liberation revolution is an integral part of the proletarian revolution on a worldwide scale; the national liberation revolution must develop into a socialist revolution in order to win total victory. Our party maintains that there is a close relationship between the liberation of the nation and the liberation of society.

Our party has always maintained that the national liberation revolution in Vietnam had to be led by the working class. In a colony, farmers constitute a very high percentage of the population. Our party has attached particular importance to mobilizing farmers and establishing the alliance of workers and farmers; however, our party maintains that farmers must be under the leadership of the working class in order to develop the tremendous revolutionary capabilities of the alliance of workers and farmers, which must be led by the working class in order for the revolution to win victory. Ho Chi Minh emphasized this fact as early as 1923. At the 1923 International Peasant Conference, Ho Chi Minh said: "In the present age, the working class is the only class that has the historic mission of leading the revolution to final victory by means of its alliance with peasants. The trends toward opportunism, toward idolizing peasants and considering them to be the primary force, the only moving force of the revolution, the most revolutionary corps will only lead to adventurism, to anarchy and ultimately to the betrayal of Leninism." Our party rejects the viewpoint of Maoists who overemphasize the role played by farmers and deny the leadership role of the working class in the revolution.

Our party advocates building and strengthening international solidarity. Ho Chi Minh said: "The proletariat of the entire world are brothers." We advocate strengthening

the solidarity within the international communist and worker movement on the basis of harxism-Leninism and proletarian internationalism. Solidarity with the Soviet Union, the great achievement of the October Revolution, the first socialist country, the pillar of peace and the firm foundation of the world revolution, is an important manifestation of socialist internationalism. We always concern ourselves with strengthening our solidarity with the Soviet Union. We have strengthened our solidarity with Laos and Kampuchea, with the other fraternal countries and united with the fraternal communist and worker parties, with the nations struggling for independence and freedom. We advocate uniting with the countries in the non-aligned novement, with the peace and justice-loving people of the world. International solidarity has the purpose of achieving the support and assistance of the revolutionary and progressive forces of the world for the Vietnamese revolution and allows the people of Vietnam to make a positive contribution to the struggle of the people of the world for peace, national independence, democracy and socialism.

International solidarity was not only necessary for the struggle to win political power, for the war to liberate our country from foreign aggressors, win independence and freedom and reunify the fatherland, but is also very necessary in socialist construction and the protection of our socialist fatherland.

In the present age, the economic ties among countries are very close. No nation can live apart from the other nations as Robinson Caruso did on his island. Economically, international solidarity and cooperation are an important prerequisite to successfully building socialism within a country, especially the newly independent colonies.

Economically, every colonialist power, which consists of the "mother country" and the colonies, is a unit in which each colony is a constituent component and a dependent component. After being liberated, the colonies encounter very many economic difficulties because they cannot find within themselves the necessary balances, such as the balance between industry and agriculture, between heavy industry and light industry, between the production of the instruments of production and the production of the instruments of consumption, between production and circulation-distribution and so forth. Only by uniting and cooperating with the soviet Union and the other socialist countries is it possible for the country to gradually create these balances. And, only through this international solidarity and cooperation can this country gradually build an independent economy to serve as the basis for the political independence it won.

Lenin taught that the colonies, after their liberation from the domination of imperialism, can rely upon the assistance of the countries that have successfully established dictatorships of the proletariat in order to advance to socialism without experiencing the stage of capitalist development. In keeping with this teaching of ienin, after winning its independence and requification, Vietnam signed the Treaty of Friendship and Cooperation with the Social inion, joined CEMA and established a comprehensive alliance and cooperation with the Soviet Union and the other genuine socialist countries. These correct measures have had the positive impact of insuring our people of the ability to build socialism in their country.

Vietnam was once a colony of imperialism, a colony with a backward economy in which production was primarily small scale. In the past, our fatherland was nothing more than a large mine supplying various types of ore to the industry of the "mother country" and a large market for the industrial goods of the mother country. After liberation day, our country's economy was seriously imbalanced. We encountered numerous difficulties in the effort to restore and develop the economy. Only through the comprehensive alliance and cooperation with the Soviet Union and the other genuine socialist countries were we able to successfully build a socialist economy in our country.

On the one hand, our party has shown our cadres, party members and people that we must, in socialist construction, strengthen our comprehensive solidarity and cooperation with the Soviet Union and the fraternal socialist countries and actively participate in the international division of labor and cooperation among the socialist countries. On the other hand, our party has reminded our cadres, party members and people to make the greatest possible effort to build the country without relying upon aid from the fraternal countries. Our party has shown everyone that under the present international circumstances, in which the socialist countries are existing and constantly developing, every nation can, after freeing itself from oppression and exploitation and winning the right to be the master of its country, successfully build socialism through its own effort.

Dear Comrades and Friends,

Imperialism and the reactionary powers of the world are collaborating with one another to oppose the forces of revolution. The international solidarity of revolutionary forces is essential in winning victory over imperialism and the reactionary powers.

l'oday, nations are awakening. Patriotism is the strong moving force behind the revolution in every country.

With a firm grasp of the dialectical relationship between the national factor and the international factor, we will conduct good revolutionary propaganda, stimulate the struggle of the peoples of all countries, gradually repulse the imperialist and reactionary powers, gradually win victory for the revolution and eventually win total victory, thereby stimulating the transition of the world from capitalism to socialism.

The widespread propagandizing of the viewpoints of Marx, Engels and Lenin concerning the national and international questions is very necessary at this time. This work demands a determined struggle against bourgeois nationalism and opportunism of all types. One of the dangerous philosophies at this time is Maoism. Maoism is the most harmful kind of bourgeois nationalism. Hiding behind the billboard of Marxism-Leninism, it is a reactionary type of chauvinism. Maoism is great nation expansionism and big country hegemony. Its ambition is to establish China's rule in East Asia, and throughout the world. It is collaborating with imperialism, led by the U.S. imperialists, and the other reactionary powers to oppose the socialist community, the

communist and worker movement and the national liberation movement. This communist mask of theirs is the worst kind of anti-communism. The ture face of Maoism was totally revealed when the Maoist ruling clique in Beijing sent some 600,000 troops to wage a war of aggression against the Socialist Republic of Vietnam, a country that had recently won its independence after more than 1 century of domination by imperialism and more than 30 years of a war of resistance against imperialism, a country that is building socialism on the pile of rubble of war.

The Maoism ruling clique in Beijing has volunteered to serve as the counterrevolutionary assault unit against the Soviet Union which they falsely accuse
of being the "big hegemonist." They have ranted about teaching "a second lesson"
to Vietnan, which they falsely accuse of being the "small hegemonist." They preach
national discrimination. They provoke the most base national sentiments among the
Chinese in a vain attempt to provoke the people of China into opposing the Soviet
Union, Vietnam, Cuba and the other genuine socialist countries. They direct divisive
propaganda toward the various nationalities in Indochina and Southeast Asia in a
vain attempt to set one nation against another to their advantage. They have pursued
a policy of "filling in the vacuum" in Southeast Asia as the imperialists are
gradually pushed from this region.

Several decades ago, the Japanese imperialists set forth their great East Asian plan with a view toward annexing the countries of East Asia. Following the defeat of the Japanese imperialists in World War II, the great East Asia plan of Japan went up in a cloud of smoke. Today, the ruling Maoist clique in Beijing is scheming to implement the great East Asia plan of China in a vain attempt to establish China's hegemony over East Asia. Following in the tracks of the overturned vehicle of the Japanese imperialists, Chinese expansionism and hegemony will surely suffer the same tragic defeat that their forerunner did.

Dear Comrades and Friends,

Following more than 30 years of waging a war of resistance against the French imperialists and the U.S. imperialists, the people of Vietnam had no other aspiration than to live in peace in order to rebuild their country, restore and develop the economy, improve their standard of living and expand their relations with the other nations of the world. However, the Maoist ruling clique in Beijing considers a unified, socialist Vietnam that adheres to an independent line and practices pure international solidarity to be the greatest obstacle to its scheme of expansionism and hegemony in Southeast Asia. They used the Pol Pot-Ieng Sary clique as a tool of aggression to start a war on the southwestern border of Vietnam and sent more than 600,000 troops to commit aggression against North Vietnam. However, the Chinese expansionists and hegemonists suffered shameful defeats. The army and people of Vietnam, naintaining the sovereignty and territorial integrity of the fatherland, repulsed the aggressive attacks of the Chinese reactionaries and, at the same time, helped the people of Kampuchea overthrow the genocidal Pol Pot-Ieng Sary regime, thus ushering in a new stage in the militant solidarity of Vietnam, Laos and Kampuchea.

Unwilling to accept defeat, the reactionaries within Chinese ruling circles are frantically preparing to teach Vietnam "a second lesson." They have persuaded the

imperialist countries and the reactionaries of countries to establish an economic embargo against the three countries of Vietnam, Laos and Kampuchea. They are committing acts of sabotage within Vietnam, Laos and Kampuchea by many ways: a war of economic sabotage, a spy war and a pshchological war. At present, they are occupying a number of islands of our country and many places in North Vietnam near the border. They have massed troops along the northern border of our country and routinely engage in provocation and instigate military conflicts. They have publicly called for a counter-revolutionary rebellion to overthrow the leadership of our party and state.

In the face of the threat of Chinese aggression, the Vietnamese people today face very weighty and very glorious new tasks. Our country, although it is at peace, must constantly be prepared to resist a war of aggression by the reactionaries within Beijing ruling circles. This situation demands that the entire party, all the people and the entire army of Vietnam constantly be vigilant and make extraordinary efforts to build socialism and firmly protect our socialist fatherland.

In the fight against imperialism and against Chinese expansionism and hegemony as well as in the work of building socialism, we always have the sympathy, support and assistance of the fraternal countries and the fraternal parties within the socialist system and the international communist and worker movement. We shall forever be deeply grateful for this valuable sympathy, support and assistance.

Dear Comrades and Friends.

Marxism-Leninism is invincible. By firmly grasping the viewpoint of Marxism-Leninism concerning the dialectical relationship between the national factor and the international factor, we will surely perform our work well and advance our revolutionary cause to increasingly large victories.

My conrades and friends, thank you.

7809 CSO: 4209/484

### MAKING STATEMENTS

BKO41403 Hanoi TAP CHI CONG SAN [COMMUNIST REVIEW] in Vietnamese No 7, Jul 81 pp 54-56

[Article by Trong Nghia in "Ideological Section"--previously published in FBIS Asia and Pacific DAILY REPORT, Vol IV, No 174, 9 Sep 81, pp K7-K9]

[Text] "Order-giving statement," "instruction-giving statement" and "judgment-passing statement" were phrases used in the old days to denote the transmission of opinions of kings, emperors, judges or superiors to their subordinates and the people. These phrases were rarely used in the daily life of ordinary people. In other words, only kings, mandarins, powerholders and influential persons loved to make highhanded statements.

Some of us have slipped into the practice of "making statements," and the charge of "making statements" is now made quite frequently and somewhat sarcastically.

Following are some examples:

A responsible leading cadre—instead of expressing practical views, actually engaging in work, thoroughly understanding what should be done, and organizing, at all costs, the implementation of party directives and resolutions—has "made statements" in a very general manner. It seems that his sole responsibility is to "make statements." He considers his responsibility as being fulfilled after he has "made a statement."

At times, because he has failed to understand a certain problem, he has been able only to "make some general and useless statements." This has prompted many people to remark that "making general statements" is an easy job and that anyone can do it. And the remark "organ leaders are only capable of making general statements," which is fairly widespread in some organs and units, is designed to ridicule the style of such leading cadres.

There are also many comrades who are good only at speaking. They say, for instance: "We must be exemplary before the people. Our work must match our words. We must lead an honest life and must not be corrupt and steal public property. We must maintain party discipline and share weal and woe with the masses. We must..." This is very correct! But the trouble is that persons who have made such beautiful statements have not squared their actions with their words. At times, they have spoken about one thing and acted in another way. Therefore, their beautiful words are insignificant, and these comrades are known to be good only at making statements.

Some other comrades are not even careful in making statements. As "decision-making" leaders in their organs, when faced with a new and complex task or event, they immediately "make statements" without carefully studying the issue. In important matters such as evaluating cadres' performance and assessing the work situation, these comrades have also made hasty and inconsiderate remarks. When going on a study or inspection tour of a locality, they do not wait until they understand the actual situation there before they express "important" and at times "daring" views (even though, in some cases, they do not assume any responsibility for that locality).

As a result, "making statements" is first of all a phenomenon often seen among influential cadres. Although this phenomenon is manifested in several ways and under many forms, it is generally a manifestation of subjectivism and an overbearing attitude which often denotes poor knowledge and weak methodology. If we look carefully, we can see that those who like to "make statements" are usually those who like to stand a head above others, to "show off" and to "lecture" others. They normally hold their views as the truth and "golden rules.: They mistakenly think that once they hold some authority, whatever they say the people and their subordinates will listen. They do not remember that they must be very careful in making judicious statements since they are responsible people in charge. If they do not take pains to study and scrutinize the facts, listen to the people's views and understand their work thoroughly, and if they rely only on their poor knowledge and few experiences to make "statements," they will not resolve anything and they might even cause some adversities. At times a wrong "statement" and a hasty conclusion has affected an entire movement, confusing all the work and making good cadres misunderstood and good deeds culpable or vice versa. As an example, one time, a provincial cadre went to a ricefield and told the peasants to grow soybean. The following day, a district cadre came and told them to plant eveet potato. Finally, a central department chief came and ordered them to grow another crop. Too many "cooks" spoil the broth.

What about the prestige of those who give such "instructions"? If their words do not match their deeds, whom can they persuade?

Nevertheless, do not think that only those who wield some authority like to give "instructions." In reality, there are quite a lot of people who do not hold any position but still like to give "instructions." Faced with the present difficulties and negativism in daily life, they act like "judges" and outsiders and pass judgments very subjectively and casually.

They criticize this and that and accuse this or that person while they themselves either remain inert or are among those who have done wrong and acted irresponsibly. Some people have even gone so far as to reject all of the party's correct lines and policies and to speak casually and inconsiderately, acting as if they are the only clear-sighted and skilled persons and are reason and truth itself. Sometimes, they give "instructions" in complete ignorance or on the basis of rumor inconsiderately and irresponsibly. They have at times served inadvertently as loudspeakers and relay stations for the enemy psychological warfare force.

Unfortunately, those people erroneously think that they have the "courage to struggle" by making such "statements." They do not understand that such manifestations of disorganization are alien to the constructive spirit of those who have some sense of mastery.

Generally speaking, those who make unorganized "statements" lack a sense of responsibility and suffer from subjectivism. They look at things and evaluate the situation in a superficial and simplistic manner. They know little but want to show that their knowledge is wide. While still unable to grasp the entire issue, they nevertheless burry to give "instructions" and make "statements" without caring whether what they say is true or not.

One of our adages says: "Answer when knowing well; remain silent and listen when in ignorance." This adage should be a motto of action for our cadres and party members. It will help us become more wise, judicious and careful, and show our respect for others as necessary.

Obviously, we cannot mistakenly say that all promptly made observations, criticisms and guidances are hasty and culpable. As a matter of act, when faced with complicated problems many learned and experienced comrades can present prompt and judicious views and have taken correct and clear-cut decisions. Such a character is completely necessary. We treasure and respect these cadres and their work method.

We will not suggest mechanically that only those who are familiar with their areas of knowledge should be entitled to express their views on their areas. Our party always requests all cadres and party members to uphold their revolutionary will and militancy to do their utmost and frankly present their constructive views without being overly circumspect to the point of shrinking and withholding their criticism, daring not to struggle.

The important thing is that when expressing an opinion or an observation, or when giving advice, we must adequately determine our responsibility and adopt a correct method. This calls for careful study and thinking so that we can speak of the right thing and at the right time and place with adequate consideration of the effect and consequences of our speech. We will not make "hasty" or "wanton" and "careless" statements. The higher our positions and the heavier our responsibility, the more careful we must be.

CSO: 4209/484

OUR PARTY'S TRADITION IN THE PUBLICATION OF JOURNALS: THE FIRST ISSUE OF TAP CHI

Hanoi TAP CHI CONG SAN [COMMUNIST REVIEW] in Vietnamese No 7, Jul 81 pp 57-60

Text ] Editorial Note: theoretical work is the foremost concern of our party. During the first years following its founding, our party, together with publishing newspapers, published TAP CHI CONG SAN to teach theory and policy to its cadres and sembers. The first issue of TAP CHI CONG SAN, the theoretical organ of the party, was published on 1 February 1931. In the introductory note, TAP CHI CONG SAN clearly stated that its main purpose was to "explain the policies of the Communist International and our party and strongly attack erroneous thinking and the trends of opportunism and factionalism in order to establish a unity of thought and action within the party."

Due to the difficult and violent circumstances surrounding the struggle in those years, the journal of our party could not be published regularly or continuously. There were many times when the name of the party's journal had to be changed to suit the revolutionary strategy and tactics of the party during the various periods.

Despite encountering very many difficulties, our party tried to publish its journal in order to propagandise Marxism-Leninism and the lines and policies of the party.

On the occasion of preparing for the 5th Congress of the Party, were hereby respectfully present to readers the introductory note of the first issue of TAP CHI CONG SAN together with an article entitled "It Is Necessary To Expand the Practice of Self-Criticism Within the Party," which was one of the articles printed in that issue.

First Year Number 1

1 February 1931

CONC SAN
The Organ of the Indochina Communist Party

Introductory Note

The revolutionary movement in Indochina has risen to a high level; the revolutionary struggles of the mass of workers and peasants are becoming increasingly fierce and spreading with each passing day. From the North to the South, in all regions of

Indochina, strikes, meetings and displays of power against the French imperialists, the landowners and village officials are occurring on a continuous basis. The suppressed and exploited base of the imperialists and the landowners has been shaken; therefore, the imperialist government is doing everything possible to annihilate the Indochina Communist Party and undermine the revolutionary movement of workers and peasants.

The revolutionary situation within the region is improving with each passing day and the number of persons participating in the struggle is constantly increasing. However, our party is still in its infancy, is less than 1 year old. As a result of encountering very many jobs at such a young age, the leadership of the party is not perfect. The various party organization levels and party members do not have revolutionary experience, generally analyse the situation incorrectly and make mistakes when implementing the policies of the party. Moreover, since the period of major revolutionary activity broke out in Indochina more than one-half year ago, very many very important events have occurred regarding the revolutionary movement throughout Indochina and more than a few trends toward factionalism and opportunism have arisen. However, our party has not had an organ with which to resolve these questions and propagandize and explain its correct policy. This has been a very major shortcoming in our daily work. At present, the work of the party has begun to be reorganized and TAP CHI CONG SAN is being published to rectify this shortcoming. The objectives of TAP CHI CONG SAN are to explain the policies of the Communist International and our party and strongly attack erroneous thinking and the trends of opportunism and factionalism in order to establish a unity of thought and action within the party. FAP CHI CONG SAN will gather and present experiences gained in the struggle and the leadership of the struggle by the party members and party organizations in Indochina and the experiences gained in the struggle by the fraternal parties throughout the world so that our party rapidly develops. FAP CHI CONG SAN will be the common forum for party members to discuss each and every matter of importance to the Indochina revolutionary movement and the entire world. TAP CHI CONG SAN will also be the publication that prints articles researching the political and economic situations within the region and throughout the world in order to contribute material to the party for use in planning the struggle. Finally, TAP CHI CONG SAN will also be the common forum for party members to criticize mistakes and shortcomings in the daily work of the party and express new opinions so that they can follow the correct political course together.

At this time, the party is preparing to convene its party congress, and the jobs mentioned above must be performed in a very urgent manner. For this reason, every party member must enthusiastically participate in the work of TAP CHI CONG SAN; every party member must regularly express his opinions, contribute his experiences, discuss matters of importance, practice self-criticism, etc. The task of TAP CHI CONG SAN is very large and important. If every party member does not do his part in performing this task, TAP CHI CONG SAN will be unable to perform it.

One point to which party members should give their attention is that TAP CHI CONG SAN is designed for use by party members and is not an organ for propaganda among the manner.

CONG SAN

# It Is Necessary To Expand the Practice of Self-Criticism Within the Party

Admitting our mistakes, finding the causes of these mistakes, examining the situation that led to them and diligently looking for ways to rectify these mistakes are proof that this is a correct party, fulfill the duty of the party and teach and train the class and masses. (Lenin)

The mass movement is becoming increasingly intense, the struggle by the mass of workers and farmers is constantly spreading and the responsibility of the party is becoming increasingly large; if we do not expand the practice of self-criticism within the party, it will be impossible to fulfill the tremendous task we face at this time, that is, the task of winning over the broad masses. A few comrades think that "the slogan 'self-criticism' is a device for signalling to the guidance agencies or maintain that our party is new and we should not expand the practice of selfcriticism because it will cause the masses to misunderstand and waver." These concepts are very incorrect. Not only are they incorrect, they are harmful as well. The history of the Russian Communist Party shows us: the practice of self-criticism makes the guidance provided by the party increasingly strong in order to carry out the tremendous tasks of the proletariat. Without practicing self-criticism, the Russian Communist Party would not have become a party that is as strong as iron and the German Communist Party would not have become a party that serves a very large number of workers. One recent example is the American Communist Party. If the American Communist Party did not expand the practice of self-criticism last year, it would not have strongly attacked and reversed the erroneous trends within the party or revised its methods of operation and serve as many people as it is this year. A much more distant example occurred at the time the Bolshevik Party was founded; if Lenin did not criticize the mistakes within the party during the first few years following its establishment, if the party did not broaden the practice of selfcriticism, the Bolshevik Party would not have become as strong as it is today.

The flame of Bolshevik self-criticism has made the communist party increasingly strong. Self-criticism is an integral component of democracy within the party without which democracy within the party cannot survive. Comrade Ma-nun-xit-ki / Vietnamese phonetics 7, on behalf of the Communist International, said during the Conference of the Standing Committee of the Youth Communist Internation: "In normal times or times when the wave of revolution is surging, no party, either a communist party that has established a dictatorship of the proletariat or a party that is struggling to establish a dictatorship of the proletariat, can ignore the practice of self-criticism. Only through self-criticism is it possible to train the cadres within the party. If we do not harshly criticize the mistakes of leadership and ourselves on the basis of the countless experiences in the world of workers, what other method can we use to win over the broad strata within the working class, how else can we teach them to follow a correct strategy?" The practice of self-criticism is the subject of one of the resolutions of the 10th Standing Committee Conference of the Communist International. Without practicing self-criticism, it is impossible to implement all of these resolutions...; however, we must skillfully practice self-criticism of the Bolshevik style. True Bolshevik self-criticism has the interests of the proletariat as the highest interest; true Bolshevik self-criticism is designed to make the party strong

and stable; true Bolshevik self-criticism is criticism of political mistakes for the purpose of revising and improving our practical work. The practice of selfcriticism must be carried out under certain conditions; first, there should be few declarations about the practice of self-criticism and more criticism of deficiencies and mistakes; secondly, there must be a method for practicing self-criticism, that is, the Party Central Committee must explain what self-criticism is, must develop the practice of self-criticism and must lead the effort to rectify that which is criticized, otherwise self-criticism will be useless and no method will exist for practicing it; thirdly, everyone from the lower level to the upper level must have political responsibility so that the party can question persons regarding their responsibility for setbacks and everyone must combat the practice of concealing one another's mistakes; fourthly, everyone must voluntarily rectify his mistakes. Only by meeting these conditions is self-criticism truly Bolshevik self-criticism. True Bolshevik self-criticism is very necessary to our party at this time. If we do not expand the practice of self-criticism within the party, how can we clarify the mistakes that we have been making; if we do not practice self-criticism, how can we take steps to rectify these mistakes? Our party is a party of the revolutionary proletariat; therefore, we should not be afraid to discuss our mistakes. Lenin said: "A communist party is better than other parties because it is impossible to destroy a communist party that knows how to criticize its mistakes and rectify these mistakes." While practicing criticism, attention must be given to the fact that only true Bolshevik self-criticism helps to party-ize the Bolshevik; only true Bolshevik criticism can teach and train the proletariat and the laboring masses. Expanding the practice of Bolshevik self-criticism is a prerequisite to our party fulfilling its tasks in service of the broad mass of workers and peasants in order to prepare for revolution. The practice of self-criticism is a necessity. In order for all mistakes to become general lessons to all party members so that they rapidly rectify their mistakes, all self-criticism must be printed in this journal. Therefore, you must pay particular attention to this matter and write in TAP CHI CONG SAN.

CONG SAN

7809 USO: 4209/484

### SEVERAL MATTERS REGARDING MODERN WESTERN LITERATURE

Hanoi TAP CHI CONG SAN [COMMUNIST REVIEW] in Vietnamese No 7, Jul 81 pp 61-66

[Article by Nguyen Chi Tinh]

Text In modern western literature, there are backward, reactionary tendencies that openly support the political and economic schemes of the international bourgeoisie as well as progressive, Marxist tendencies. There are also tendencies that are bourgeois in nature but which appear to be "in the middle," which have spread rather widely and which constitute the clearest and most easily recognized form of modern western bourgeois literature. This article only deals with the tendencies of the third type, or, more correctly stated, with a number of matters related to them.

# I. The Relationship Between Literature and Reality

To us, persons who practice Marxism-Leninism, the relationship between literature and reality, which is a basic issue in the nature of methodology, is basically explained as follows: a genuine artist always recognizes an objective reality and tries to faithfully reflect it. However, western bourgeois writers (1) have an entirely different concept. According to them, literature also reflects a reality; however, it is the reality of literature, that is, the reality of the writer himself and only the writer. The literary world is the world in which the mind and heart of the writer can roam at will with no regard for any natural or social reality. The French novelist Alin Robbe grillet stated that the writer might feel the world around him but is not the least bit concerned with it; the writer must also struggle to throw off the traditional world left behind by history; in the end, there is only the mystical world within the imagination of the writer himself, and this is the only true reality of the writer. However, Alin Robbe Grillet and the other western writers say nothing at all about how and under which circumstances this imagination is born and formed or by which conditions of the social life in which the writer exists as a member but from which he cannot hide is it controlled. They maintain that before they pick up a pen, they face a huge blank space, a "boundless" horizon not hampered by any semblance of real life. not by the events occurring in society or even the insignificant memories of the past. thus, everything seems to suddenly arise from their personal spirit, everything seems to gush forth and spill onto their paper and becomes the philosophy, the works, the real world of the writer, becomes a reality in which the writer is fully taken with

himself, explains himself to himself without any consideration given to any objective laws of man's existence. He proclaims himself as not being the least bit responsible to anyone who wishes to question him when these persons point out the very significant, even shocking, differences between what they write and the obvious reality of life.

It can be readily seen that this concept of "subjective reality" in literature in recent years, regardless of how it is embellished, regardless of the figurative names given to it, such as "the sacred world of literature" and so forth, is still in the same vein as subjective idealism in philosophy that broke down in the face of the offensive power of Marxist philosophy.

Attention must be given to the fact that the concept described above is generally closely associated with the scornful attitude of western writers toward socialist realism. Denounced as having ignored objective reality, they have redoubled their efforts to prove--in vain, of course--from a theoretical point of view that socialist realism is incapable of reflecting genuine reality and is only a contrived concept, even one of no literary significance!

II. The Function of Literature--The Relationship Among Literature, Politics and Society

which, in itself, is a concept. They maintain that literature is a totally independent space, one called "literary space"(l'espace litteraire in the words of Maurice Blanchot). This space is in no way related to politics or society. Literature and politics are like two lenses that are so far apart from each other that they have no effect upon each other. Literature, they maintain, has been in existence for a long time and is an entity unto itself; the question regarding the relationship among literature, politics and society is, they maintain, forced upon them by persons who understand nothing about literature. When questioned about this relationship, the writer Claude Simon curtly replied: "I do not understand the question." It is on the basis of this concept that western writers maintain that literature should not be forced to fulfill any political or social role or function; literature is a function unto itself: it finds itself in iteself; the writer should not concern himself with political or social matters or situations even within the country in which he lives.

Unfortunately, this "irresponsible" concept is not supported by real life. The political and social events of the West, even of the entire world, have an impact upon the fate of each person and control the endeavors of the writer. The government leaders of the western countries also fail to respect their very solemn pledge that they will not intervene in the creative labor of writers. These political and social activities demand a response from literature.

More than 30 years ago, Jean Paul Sartre wrote his famous essay "What Is Literature?" in which he forthrightly stated that literature must use its artistic weapon to consciously struggle for political and social ideals. To Sartre, participation by the writer in political and social activities is not only possible but also necessary to train the writer to fulfill his literature responsibility. At the same time, Sartre

demanded that writers be totally independent and absolutely free, that is, that they live, think and create art without being tied to any philosophy or political system. According to Sartre, the writer should not proclaim himself as belonging to the "left" or the "right" but can, in specific circumstances, endorse one side or the other or even endorse both. Of course, this demand for metaphysical freedom has led to contradictions of a tragic nature in the spiritual lives of writers such as Sartre; however, Sartre's concept of "submersing himself" in society and politics does encompass progressive factors and, on the basis of these factors, Sartre carried out clearly positive literary and social activities.

Some writers acknowledge the unavoidable relationship among literature, politics and society and admit that the writer must have his own political views, his own political and social attitudes; on the other hand, however, they still advocate that the writer not directly participate in political and social activities. According to them, such participation would harm the creative work of the writer, which is a type of delicate work that must be protected in the most complete manner possible; to them, the social or political responsibilities of the writer lie only within the scope of his literary activities.

There are also writers who propose the concept of the "dual person," considering it to be a unique concept of the modern age; two facets, a political and social facet and a literary facet, exist side by side within the life of the writer; two persons, the political and social person and the literary person, exist side by side within the writer. Between these two facets and these two persons there need never be any logical similarity. The writer can participate in social and political activities and even become a member of the political party and fully carry out the specific political tasks assigned to him by the party; however, when writing literature or poetry, he can present to his readers an entirely different political or social attitude because he is then acting as the second person within the "dual person" of the independent writer; it is the artist within that person that is creating art. He can be a writer and the member of a political party but never be a writer-party member(!).

Some western writers indifferently recognize the infiltration by politics into literature but also maintain that literature should not directly deal with politics, should not bw based on the recognition of political concepts or phenomena. According to them, literature engages in politics by not talking about politics: "The power of these words lies in silence" (Hubert Juin). Taking this concept one step further, some persons, such as Marcuse, declare that the political potential of a literary work lies only in its aesthetic value and aesthetics can be appreciated by everyone without the need for political reasoning. According to Marcuse, there is within literature an "aesthetic stimulus" that lays the foundation of political strength. This concept opens the way for the pursuit of a general, pure kind of aesthetics.

he relationship among literature, politics and society is very diverse and complex among western writers; however, the primary aspect of their concept of this relationship is that they still turn their back on specific political and social responsibilities.

## III. Modern Trends Deserving of Attention

From the basic issues of western literature mentioned above, a host of modern trends has arisen in literary creativity and research.

Structuralism caused quite a stir in western literature for a time. It involves researching and explaining a literary work only on the basis of its internal structure. As a result, the researcher need not know the author, need not know the historic circumstances or any of the objective conditions that underly the work of art; rather, he needs only to delve into the work of art itself and perform jobs of a mathematical nature, such as compiling statistics on the use of a certain term within the work of art, on a type of action by a character in the work of art and so forth and then reach literary conclusions. Understanding the internal structure of a literary work and viewing it as an objective entity are necessary; however, how can a literary research project be scientific if the literary work is separated from the author and from specific, objective historic circumstances? Yet, it is the ambition of structuralism to replace Marxism! Even though this ambition has today become obviously hopeless, the signs of it in literary research projects have not disappeared and, in the West, many projects still employ the spirit of the methodology of structuralism.

The "new novel." which some persons consider a school of literature, was a trend that had the attention of public opinion for some time and has generated much debate. The "new novelists" have declared the end of the traditional novel. In the "new novel," the concept of stories and the concept of characters are not what they once were. The development of events is not described in an orderly time sequence. The language employed does not comply with established standards of language and frequently becomes a play on words. Thus, numerous questions are raised: in the present age, does the novel retain the standards and character that it did in the last century? How are story-line and characters to be understood? Is there anything deserving of thought and useful in the various technical forms of the "new novel," such as "stream of consciousness," "concurrence," "psychological time" and even the abandonment of the traditional standards of language? The newer expressions of the "new novel" frequently originate in things that are only slightly plausible; therefore, even in the West, it is difficult for these novels to win over the public. Consequently, the "new novel" has very few readers and, in order to win new readers, the "new novel" frequently requires an explanation of itself by "new novelists."

The role of the subconscious in literature has been heightened. The activities of the subconscious are mental activities that are not felt, are a form of activity of the brain outside the consciousness of the person even though they are closely linked to the complex process of handling information under given conditions. In recent years, the role of the subconscious both within and outside the field of literature has been discussed more and more, especially when persons proclaiming themselves to be the "new Freuds" began explaining their viewpoint. Reflecting the tendency to emphasize only the role of the subconscious, some research projects have been designed to prove that a work of art is primarily the result of the activities of the subconsious, the subconsciousness of the author and of the work itself. There are some literary works in which every incident and every action originates in the subconscious of the

character. Thus, through literature, they have submerged the consciousness of man, which is closely linked to historic circumstances and social impact, and, instead used the subconscious to explain every phenomenon of life. Having done so, some of the "new Freuds" declare that they are never opposed to Marxism, that they are only supplementing Marxism, that they are delving deeply into the "human" aspect of life, in general, and literature, in particular, an aspect which Karl Marx, because he was so concerned with political and economic matters, was unable to discuss in appropriate detail! Actually, the role of the subconscious in literary activities cannot be ignored; nowever, emphasizing the subconscious as much as the "new Freuds" are spreads mysticism and disorients the effort to understand life.

The question of the fate of man has been especially evident in the literary works of the West since World War II. It can be said that ever since then, western literature has been a tragic lament about the fate of man, about a suffering, exhausted and desperate man. Many western writers have become icons for a time simply because they dealt specifically with this gloomy mood of readers who witnessed the cruel war. In recent years, they have bragged that western society has reached the level of a consumer society in which the problem facing man is not the production or distribution of wealth, but the consumption of material wealth produced in over-abundance. In keeping with this line of reasoning, the consequences of the war have been overcome and the tragic fate of man that was closely linked to poverty and backwardness has come to an end, consequently, literature, when talking about the fate of man, must do so in optimistic and bright terms. However, such is not the truth. In literature, the human heart is not one shade brighter, the voice of human feelings is not one bit clearer and the fate of man is still unusually tragic; tragedies of all descriptions shatter every dream, even the dream of living in peace; characters writhe with pain in repeated tricks of fate, consequently, many characters take their own lives with no regret.

Deserving of attention is the fact that western writers never offer an appropriate explanation and sometimes no explanation whatsoever concerning the fate of man as it is expressed in literature. The lament over fate, which is very often a cry of anguish, goes unheard. The misery of man in the age of industrial development is still colored by predestination. All events of major historical and social significance that are closely linked to the nature of political systems are also viewed by western authors from the point of view of personal fate. For example, a war in which one side clearly represents a just cause and the other side clearly represents an unjust cause is merely an adventure, a conflict of personal fates; both criminals and their suffering victims suffer pitiful "fates"! Some western writers, as if they wish to present a way to escape the fate of modern-day man, have looked to nature and the past and denounced the entirety of modern civilization, denounced the period of betrayal that drew man far from peace and tranquility and from the primitive sources of happiness. One person wrote in a very refined fashion: "We abandoned the forests in which we lived in tribes. We built cities and circled the earth. However, we are not happy. And, now there is a constant yearning in us to rediscover our roots in mother earth, and it is from here that the strength of the forests is arising."

# IV. Literature and the Scientific-Technological Revolution

The scientific-technological revolution has had an impact upon all of western society, including literature and writers.

Modern scientific and technical means permit literary works to be disseminated much more widely than previously; they are taken into the theater, read on radio and "performed" on television. There are strata of specialized "writers" for the various forms of dissemination of modern technology. Large numbers of persons read literature simply to kill time. In each western country, hundreds of millions of pocket books are published each year; these books are easily purchased, easily carried and can be thrown away once they have been read. More than a few new genre have emerged: "novels for the air waves," "novels for the cinema," "picture novels," etc. There is one style of abbreviated prose called the literature of the "age of speed." Some persons compile essays and books entirely by piecing together excerpts from the works of other writers, from the classical to the modern, and declare: "If, in science and technology, the reuse of an invention by a person is never denounced, it is also very natural in literature to repeat a sentence or passage that has already been written and put it in a new scene."

All of the phenomena mentioned above, both the phenomena of form and phenomena of genre, comply with the law of profits in western capitalist society in that they arise or disappear generally in accordance with commercial requirements.

More deserving of attention in the relationship between literature and the scientifictechnological revolution is the subjects reflected by literature. Here, literature must not only reflect the life of persons who possess the unsurpassed conveniences of modern science and technology or almost mythical stories about machines replacing man. Of primary importance is that literature must reflect the view of the author toward the future of mankind, of each person and man's attitude in the face of the strong development of science and technology. On the momentum of the development of science and technology, how do the character and feelings of persons develop, how do persons deal with one another and so forth? Sadly, western writers generally paint a dark picture filled with suffering of the present and make pessimistic predictions about the future. In their works, especially their fictional and futuristic works, man is portrayed as becoming depraved as he follows the advance of science and technology, as being emersed in material consumption while his soul becomes increasingly impoverished and distorted and he eventually breaks all ties with the most beautiful ethical and cultural traditions. In their works, mankind uses formidable modern means, becomes embroiled in wars and ultimately will destroy itself and the planet on which it has recorded countless achievements. Here, we also see that western writers, while presenting the darkest possible observations and predictions, never offer any explanation for them. No one ever deals with the basic issue concerning the strucutre of society in order to answer the question: "Thus, in whose hands are science and technology?"

The above mentioned tendencies that appear to lie in the "middle" of western bourgeois literature are of many different forms and types and are constantly changing as if they seek to escape the life of man in western society. However, this escape does not

lie in the bourgeoisie and even those who are constantly "in the middle" cannot free themselves from the vicious cycle, from vexation and frustration.

### FOOTNOTES

1. Hereafter called western writers and western literature (NCT).

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### COMMENTARY: THE GREAT VICTORY OF THE DEMOCRATIC FORCES IN FRANCE

Hanoi PAP CHI CONG SAN [COMMUNIST REVIEW ] in Vietnamese No 7, Jul 81 pp 67-70

[ fext ] In both May and June of this year, the democratic forces in France won major victories.

In the presidential election held on 10 May 1981, Mr. Francois Mitterrand, the leader of the French Socialist Party, won the election with 52.29 percent of the vote and became the 21st president of France with a 7 year term. Mr. Giscard d'Estaing, the leader of the French Democratic Alliance Party who sought re-election at the end of his term as president, only won 47.71 percent of the vote and was defeated. The office of president in France has thus been taken from the hands of the leaders of rightist parties and put into the hands of the leaders of a leftist party!

In the elections of Parliament delegates on 14 June and 21 June 1981, the rightist parties in France also suffered a tragic defeat; they won only about 150 seats and became the minority faction in the French Parliament. The leftist parties (which include the Socialist Party, the Communist Party and a number of other parties) won a major victory: they won more than 330 seats and became the overwhelming majority within the 491 seat Parliament of France.

In the presidential election, the votes cast by French communists made a decisive contribution to the victory of Mr. Francois Mitterrand. In the Parliamentary elections, the votes cast by communists again made an important contribution to the creation of a new majority within the French Parliament.

Immediately after the Parliamentary elections, the delegates of the Communist and the Socialist Parties met and issued a joint declaration expressing their "determination to pursue the new course chosen by the men and women workers of France" by voting for the left. The two parties pledged to "bring about change by means of the democratic process." This change will especially involve new measures regarding social justice and new measures to raise the income of the poorest in society. The two parties have come to an agreement with regard to expanding the state-operated sector. In the joint declaration, the two parties cited the need to draft a 2-year economic reconstruction plan in order to create the codnitions for new economic development and effectively combat unemployment. The two parties declared their support of a policy to reduce

social injustice. The two parties have also agreed that they "will act to guarantee and broaden freedom, develop the rights of the working people and democratize the life of the country."

Internationally, the two parties pledged to support international actions by France "for peace and gradual disarrament with a view toward simultaneously disbanding military alliances." The two parties also express "solidarity with the nations of the third world, such as El Salvador and Nicaragua, that are struggling for national liberation, for the development of their social freedom and democracy." The two parties declared to use the points agreed upon as the basis in every field and, at the same time, confirmed the desire of each side to maintain its individual characteristics and basic stands.

Of course, in the capitalist countries, there is generally a gap between platforms and the implementation of these platforms. Despite this, the agreement reached between the communist party and the socialist party of France to take joint actions to bring about a change in France might be the beginning of a change in a new direction.

After the Parliamentary elections, President Mitterrand gave Pierre Mauroy the responsibility of establishing a new government. On 23 June 1981, a new government was established consisting of 44 ministers, 4 of whom represent the French Communist Party, Charles Fiterman, Political Bureau member and secretary of the Party Central Committee, was given the post of Minister of Communications and Transportation; Jack Ralite is Minister of Public Health; Anicet LePors is Minister of Civil Service and Administrative Reform; and Marcel Rigout is Minister of Vocational Training.

After 34 years of being excluded from the government, the French communists are again participating in the government of France. This event marks a new change in the situation in Franch, a change in a direction favorable to the forces of peace and democracy.

the democratic forces in France won this major victory against a background of French capitalism becoming increasingly mired in a general crisis. The period of temporary stability and development of French capitalism following the war is now in the past and will never return. Paid rather handsomely by the United States in the "filthy war" in Vietnam, the French imperialists received a rather large sum of dollars with which to retool the French economy. As a result, capitalist France enjoyed a period of prosperity and relative stability. Old France was somewhat "rejuvenated." However, this golden period did not last for long. During the past several years, the French economy stopped growing and began to decline. Inflation soared to 13 percent. Unemployment reached a frightening level: 2 million permons! More than 1,0,000 farm families went bankrupt. Scores of medium and small enterprises had to close their doors. The steel, coal, shipbuilding, tool manufacture, textile and other industries had to reduce the scope of their activities. In 1980, the balance of trade showed a deficit of 80 billion francs. Competition from Japan, the German Federal Republic, the United States and so forth has made the French economy even more unstable. The fundamental antagonisms of the capitalist system in France have become increasingly deep.

Of the difficult problems being encountered by capitalist France, unemployment is an important problem, one that directly influenced the results of the elections. The working people of France cannot forever tolerate the authorities driving them into unemployment, thus making it impossible for them to earn a living and support their families. In these elections, the voting age was reduced from 21 to 18 years of age. The number of youths who voted increased very much and these youths included some who only recently began earning their livings and immediately found themselves without a job. These young voters increased the forces of the persons demanding a change and made an important contribution to changing the balance of forces between the left and the right in the elections in France.

The results of the elections in France reflect the hatred of and the total lack of confidence in the capitalist system in France on the part of the majority of the French electorate. They also indicate the ineffectiveness of the powerful capitalists in France as regards resolving the problem facing France. They reveal the antagonisms and division within the right wing of the powerful capitalists in France.

Mr. Mitterrand ran for the office of president as the leader of the French Socialist Party. Although it contains many negative points, the platform on which Mr. Mitterrand and the Socialist Party ran does, to some extent, satisfy the aspirations of the majority of French voters who desire a change.

The victory of the left in the elections in France proves that the majority of French voters are becoming enlightened. This victory is the result of the solidarity of the forces of the left in the struggle for change.

One important reason for the victory of the forces of the left in the elections was the flexible tactics employed by the French Communist Party in the election campaigns. Everyone knows that Mr. Mitterrand only won 25.84 percent of the vote and Mr. D'Estaing won 28.31 percent of the vote in the first round of the elections; however, in the second round, Mr. Mitterrand won 52.29 percent and Mr. d'Estaing won 47.71 percent of the votes cast. Why did this sudden change occur. It occurred as a result of the votes cast by the 4.5 million communist voters. The French Communist Party appealed for votes for Mr. Mitterrand in the second round in order to defeat the right and create the conditions for establishing a leftist government in order to bring about change. The 4.5 million voters who voted for the Communist Party in round one voted for the head of the Socialist Party in round two, consequently, they helped to put Mr. Mitterrand into the Elysee Palace.

In the Parliamentary elections, the flexible tactics of the French Communist Party had a decisive impact in defeating the parties on the right in the Parliament and throughout the entire country. By voting for the candidates of the Socialist Party in round two, communist voters helped the socialist Party win 283 seats, 170 more than it held in the previous legislature of the Parliament. This represents a major step forward by the Socialist Party and indicates the unjust nature of the voting system in France: with 38 percent of the votes, the Socialist Party won 60 percent of the seats in the Parliament! The Communist Party only won 44 seats in the new Parliament; this is not consistent with the true prestige of the Communist Party among the people of France; based on the precentage of votes cast for it (16 percent), the Communist

Party should have won twice as many Parliamentary seats. In the recent election campaign, the French Communist Party had to contend with rightist forces that control huge mass media facilities. On the other hand, the party had to deal with the democratic social trend which has much influence among the middle classes in France. Although it lost one-half of the seats it held in the previous Parliament, the French Communist Party still plays an important role in the political life of France. The party played an indispensable role in defeating the right. The communist candidates withdrew during the second round in order to deliver the votes cast for them to socialist candidates in all regions in which the lead held by the Socialist Party permitted it to win a large victory in the Parliamentary elections.

The results of the elections have brought about a new situation in France: there is a leftist majority, a very clear majority, within the country and an even broader majority in the Parliament. Thus, the conditions exist for fulfilling the pledges made in the election campaign, the pledges concerning the economic and social fields as well as the fields of democracy, national independence, and disarmament.

The implementation of the new policy promised by Mr. Mitterrand in the election campaign will surely encounter resistance by employers and the right. Therefore, the solidarity and cooperation of leftist forces are necessary in order to bring about a change in the direction desired by the left. For this reason, President Mitterrand invited representatives of the Communist Party to join the new government. Whether they want to or not, Mr. Mitterrand and the Socialist Party must give attention to the aspirations of the majority of the voters of France, the persons who voted for them and put them into power.

The change which the leftist parties in France are making every effort to bring about is limited to the framework of the bourgeois Constitution and law of capitalist France. Basically, this change does not involve the structure of the comtemporary social structure in France. Despite this, if this change is brought about, it will partially satisfy the interests of the working class and laboring people of France, limit the oppression and exploitation by them of French monopolistic capitalists, strengthen the national independence of France and somewhat reduce France's dependency upon foreign countries.

The right in France is unwilling to accept defeat. Using the huge means at its disposal, it is looking for ways to thwart and oppose every change that could harm the monopolistic capitalists. For this reason, the struggle to bring about change is also a struggle against the right and the monopolistic capitalists who represent it. Only by relying upon all of the forces of the left, by relying upon the majority of the electorate who voted for the left can this struggle achieve results.

The international reactionary forces, especially the U.S. imperialists, are bitter about the ascension to power in France by the left. They are making every effort to impede and oppose every change in France toward peace and democracy. Will the new administration in France resist the pressure of the foreign imperialist powers or not?

France is in a frustrating position. The people of France demand change. In their election platform, Mr. Mitterrand and the Socialist Party promised to bring about a

change. This was why the majority of French voters voted for Mr. Mitterrand and the Socialist Party.

Today, Mr. Mitterrand has become the president of France. The Socialist Party constitutes the majority in the French Parliament. A government consisting almost entirely of members of the Socialist Party has been formed. Mr. Mitterrand and the Socialist Party have favorable conditions for implementing the program announced by them during the election campaign. The question raised now is whether Mr. Mitterrand and the Socialist Party will keep the promises made during the election campaign.

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