

The Democratic Republic of Vietnam on the Socialist Road of Socialist Industrialization, FLPH, Hanoi, 1963

A prerequisite was necessary: which way to go? Capitalism or Socialism? Our people knew by experience that the capitalist road would lead right to the ruts of the past, pauperism and slavery. The Party of the working class which had mobilized the toiling masses for the Revolution, was not to repudiate its ideals of social justice. Moreover, capitalism was already doomed. pp 7-8

LEGACY OF A COLONIAL REGIME

It was the French financiers who invested the greater part of capital in the exploitation of Indochina in general and of Vietnam in particular. They wanted to maintain Vietnam only in the role of a supplier of raw materials and a consumer of goods turned out by the metropolitan industry. p 10

INITIAL ACHIEVEMENTS AND PROSPECTS

However, we have committed mistakes and shortcomings which could not be avoided in a big, difficult, complex and new work.

In the building of industry some concrete policies have not yet contributed to the gradual, steady and harmonious development of agriculture and light industry; the bases producing the important raw materials and indispensable consumer goods are not built in time. Attention is not duly paid to handicraft production and to a number of important branches such as lumbering, fishery, salt production.

In the years to come, we must do our best to overcome great difficulties.

The newly built socialist production relations must be consolidated and bettered. The most important problem faced by our present-day economy is the weak material and technical basis, the predominant part played by manual labour and the low social labour efficiency. p 33

The concrete trends of industry are:

1. Actively supply technique and materials to agriculture; capital construction, communications and transport, and other economic branches, first and foremost agriculture.
2. Further consumer goods to the people.

3. Create conditions for our economy in general and our industry in particular to develop more vigorously in the next five-year plan. p 34

LINE FOR INDUSTRIALIZATION

This line relies on the universal Marxist-Leninist principles in the period of transition to socialism and the experience applied by the Soviet Union and other socialist countries. Besides, we have also paid due attention to the situation and characteristics of our country, a colony which has just wrested back independence.

We carry on industrialization in favourable conditions. North Vietnam has abundant natural resources. Though the tropical condition inevitably creates some difficulties, it is fundamentally advantageous to the development of cultivation, animal husbandry, forestry and fishers', which are the bases to develop industry.

At the beginning of 1961, when stepping into the First Five -Year Plan, we have built in North Vietnam a system of advanced production relations with two forms of ownership — ownership by the entire people and collective ownership. 87.7 per cent of peasant households have joined agricultural co-operatives, 95 per cent of professional handicraftsmen and 82 per cent of retail traders have participated in various forms of co-operatives. All the private capitalist industrialists' and traders' enterprises were given the joint state-private form or co-operative form.

- With regard to the national bourgeois. the government of the Democratic Republic of Vietnam did not confiscate their enterprises. After inventory and valuation, these enterprises belonged to the state which bought them and gradually refunded the capital to those bourgeois. at the rate of from 6 to 8 per cent a year. Jobs were given to the bourgeois according to their ability. The joint state-private enterprises were re-organized and provided with new equipment and have developed rapidly. pp 37-38

"To build a balanced and modern socialist economy combining industry with agriculture and taking heavy industry as foundation, to give priority to the rational development of heavy industry, at the same time striving to develop agriculture and light industry with a view to turning our backward agriculture into a country endowed with modern industry and modern agriculture." (Resolution of the Seventh Session of the Central Committee of the Vietnam Worker's Party.) p 39

Some of us thought that in North Vietnam we should take advantage of the international division of labour and co-operation between the socialist countries to postpone the vigorous development of heavy industry, and concentrate our forces to speed up agricultural production and develop our tropical agriculture in order to exchange for machines and equipment with the brother countries. They reckoned that by so doing accumulation would not be great, and the people's livelihood would be rapidly improved. But if we want to push forward agricultural production first of all we must vigorously develop heavy industry so that it can supply machines, equipment and other means of production to agriculture and to the branches concerned, such as industry (to process agricultural products for export) and communications and transport (to build roads and transport agricultural products), etc. p 40

Of course, the priority development of our heavy industry differs from that given to heavy industry in the Soviet Union formerly. p 42

Relying on the international division of labour and co-operation and the powerful force of the socialist camp we need not devote too big appropriations to heavy industry and can reserve a relatively big capital for light industry. In the building of heavy industry we need not build all the branches. p 42

Heavy industry must be carried out mainly on a large scale, but in the beginning, owing to the limit of our investment, the shortage of cadres and workers in heavy industry, and the investigation and survey of indispensable raw materials being under way, it is not necessary for us to build all the factories on a large scale. Besides these major enterprises we can and must build small and medium-size enterprises such as regional engineering workshops small-size power stations, cement kilns, etc.

The rate of development of heavy industry must be quicker than that of other branches (but not too quick) and in harmony with agriculture and light industry. p 43

The building of a relatively comprehensive industry does not limit but strengthen international co-operation. Only with a developed industry which can satisfy the requirements of the national economy can we have abundant products to exchange with foreign countries. p 44

“The tendency to set up a general national economy which retires within itself, and does not take advantage of the strengthening of the rational division of labour between the countries, and on the other hand, the

economic specialization in a unilateral way between the countries, can limit the results and decrease the rate of economic development of each socialist country as well as the whole socialist system." (Resolution of the Council of Mutual Economic Co-operation held on June 6 and 7, 1962. Published in Pravda on June 17, 1962.) p 45

In our country the metallurgical industry will have a bright prospect of development owing our abundance in mineral resources, coal and electric energy. p 46

If industry takes the lead in the national economy, agriculture is the basis to develop industry. It supplies food and raw materials to industry and is its main market. p 48

Agriculture has been brought under co - operativization, but the material and technical basis of agriculture is still very backward. That is why the agricultural co - operatives have not yet fully shown their superiority, and the new production relations in the countryside are not yet really steady. p 49

In the present conditions, we can rely on the economy of the socialist camp, and on the fraternal assistance and co-operation of the camp to give priority to the development of heavy industry and at the same time to develop light industry. This means that, parallel with the acceleration of heavy industry, we can and must speed up the development of light industry. It is not essential for us to wait for the construction of the main bases of heavy industry to develop light industry as we can rely on the heavy industry of the brother countries, chiefly in the first period. And in the course of industrialization, we can develop light industry at a rate not too low compared with heavy industry. p 54

A problem lies ahead of us: either we go in for the construction of big and modern enterprises when possible, in which case the commodities turned out will be cheap and of good quality but will not meet the people's requirements for a long time to come; or we shall build a large number of small enterprises operating by semi-mechanized or rudimentary method. The goods produced by these enterprises will leave room for improvement and their production cost will be rather high, but these factories can be built in great numbers and commissioned rapidly to cater for the needs of the population. pp 56-57

Today, a number of under-developed countries have asked for loans or "aids" from imperialist countries to finance their national construction

work with enslaving conditions harmful to their national independence. We cannot apply the measures used by the capitalist countries, nor do we, for some difficulty or another, fall under the yoke of neo-colonialism. Experiences have shown that only by energetically struggling against imperialism and neo-colonialism of all forms, closely uniting the toiling people, developing their positiveness, distributing and utilizing material wealth rationally, can a big capital be accumulated for national construction. If we depend on imperialism not only our political sovereignty is trampled underfoot but our economic rights are violated, the livelihood of our people not improved and our capital not accumulated extensively. p 61

.... however great this assistance [from other socialist countries] may be, we feel it necessary to rely mainly on our own economy. p 62

From 1955 to 1965, the Democratic Republic of Vietnam has received aids and loans amounting to 4,229,786.000 dongs of which 1,708,721,000 dongs have been granted by the Soviet Union (not including the Vietnam -U.S.S.R. Friendship Hospital in Hanoi), 1,871,037,000 dongs by the People's Republic of China and the remaining by other brother socialist countries. p 62

At present there is deficiency in this regard especially in the countryside where live the major part of the population. A peasant works only about 150 days a year on the average. If conditions are available for him to work 200 days a year and more, the volume of social wealth will increase substantially..... Though at present our heavy industry is small, yet we enjoy ample possibilities to rapidly raise our labour productivity. We utilize only 50 per cent of the capacity of our machinery. At present a worker works only 21 days per month, at 60 per cent of his daily rate.

Should we utilize 70 or 80 per cent of the full capacity of our machines, strengthen labour discipline, better the insurance service and improve the working and living conditions of the workers to enable them to work 23 or 24 days a month at the rate of 80 or 90 per cent of their efficiency—as our present conditions permit—surely we shall be able to raise our labour productivity notably. pp 63-64

The capital thus accumulated should be used in a most efficient way. For this purpose they should be concentrated first in the most important branches, for a disparate utilization of fund would bring about tension in the supply of materials and curb the effectiveness of investments. What will happen for the other requirements if the capital is so concentrated?

Sometimes we have to live in want at present so as to be able to satisfy our requirements in the future. p 65

"We maintain that there must be an appropriate relationship between accumulation and consumption, that is to say, a relationship conforming to both the economic and political requirements of each period, guaranteeing both the development of socialist economy in the North at a high rhythm and the constant improvement of the life of the people in keeping with the development of production. (Third Congress of the Vietnam Workers Party, Vol. 1, p 72 (English Edition, FLPH.)). p 66

Scientific Vulgarization Association. p 70

Today illiteracy has been eradicated in town and country and the movement for supplementary education organized at spare time is developing vigorously. p 71

Experience has shown that the training of scientific and technical cadres from factory workers and ordinary scientific and technical workers, that is to say from those who have been in the trade, has the advantage of gaining time and obtaining higher quality cadres. p 72

We should do away with the spirit of depending on others and prevent an unhealthy tendency which consists in highlighting our spirit of self-sufficiency and self-procurement while failing to co-ordinate it with the assistance and international division of labour and co-operation of the socialist countries. According to this tendency it should be necessary to produce all the needed commodities, even though the conditions for their production are lacking, believing that by so doing local production could develop at a high tempo and the living standards of the people would be improved rapidly. The first socialist country had to do so as it was encircled by imperialism. But in our era; with the existence of the socialist camp and the international division of labour and co-operation of this camp such an undertaking is not economical and hinders the rate of development of the national economy.

Only by co-ordinating self-sufficiency and self-procurement with the assistance and international division of labour and co-operation of the socialist countries, can the socialist industrialization of our country be developed at a high tempo. pp 75-76

Vietnam is an ex-colonial country; it is the first country to shift from colonialism to socialism. p 78

..... a state “which consistently upholds its political and economic independence and fights against the new forms of colonialism and the penetration of imperialist capital, a state which rejects dictatorial and despotic methods of government, a state in which the people are ensured broad democratic rights and freedoms...” (Statement of the Meeting of Representatives of the Communist and Workers' Parties held in Moscow in 1960.) p 80