

The Renovation of Agricultural Economic Management –
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The Editor's Note

.... the movement for building agricultural cooperatives which was in the main completed by 1960. In 1965, agricultural cooperatives underwent a qualitative change: low level cooperatives were raised to a higher level with the collectivization of all means of production and the distribution of products was done in accordance with contribution in the form of labour. pp 5-6

Since 1970, the small cooperatives had been changed into big ones of the scale of whole village. This, on the one hand, resulted in the emergence of material bases and favourable conditions for some mechanization in land work and irrigation and for the application of such scientific and technical achievements as the selection of seeds and manuring. But on the other hand, such a big scale for cooperatives led to difficulties in the management of production represented by the level of heads of cooperatives, of chief accountants, *etc.* Moreover, the material and technical bases for agricultural production were still - strictly speaking - too low, and this could not give rise to high productivity and big production. P 6

After the country was reunified in 1975, on the basis of experiences in agricultural cooperativization in the North, in South Vietnam a socialist reformation in agriculture was undertaken rashly, at rather a quick tempo. p 6

..... the movement for agricultural cooperativization did not obtain expected results...the middle peasant.... was not prepared in its production and psychology for collective production. p 7

Obviously, the causes for decline in agriculture were not to be found solely in the policy of stepping up agricultural cooperativization, although this represented the main cause.

p 7

It should be admitted that in a number of crops immediately following the implementation of this regime, production actually increased in many localities. But gradually, the positive effect of the regime faded for many reasons: the peasant still had not the initiative of his action in the process of production, he was still a person “hired” by the cooperative. In many places norms set by the contract were too high, and consequently the peasant enjoyed next to nothing from his investment in labour and materials. etc. As a result, his ardour in production went down and agricultural production once again fell into a state of stagnation.

To radically deal with a number of mistakes in agriculture accumulated over the years which prevented the development of production. such as subjectivism and haste, forced advance to big-scale cooperatives, lack of encouragement to family economy, inadequate attention paid to private economy, etc.

p 8

THE PRESENT ORGANIZATION OF PRODUCTION AND MANAGEMENT IN AGRICULTURE

Almost all our agricultural sector has been reorganized into cooperatives. The cooperative movement, the development of State-run units. p 9

..... have had a beneficial effect on the building up of an irrigational network, encouraged the application of science and technology in agriculture, the practice of intensive farming and multiplication of crops, increased the surface of cultivated areas.

p 9

..... “attribution of the final products to groups of workers or to the worker himself in cooperatives of agricultural production” have helped to solve many difficulties stipulated the spirit of collective mastery and the enthusiasm of the working people and promoted the development of agriculture. p 9

Over the past few years however, agriculture has been developing slowly, the rate of production of goods is rather low; many regions have not yet done away with the tradition of self-sufficient economy, isolation and monoculture of rice. In the past two or three years, production, in particular that of foodstuffs, has decreased. Forests have been destroyed, the ecological environment not properly protected. Superstitions, backward customs and social vices such as drinking and gambling have been on the rise. p 10

A correct strategy of socio-agricultural development has not been worked out for a rational agro-industrial structure. p 10

In the socialist re-organization and renovation of agriculture, we have not yet been able to do away with a simplistic way of understanding socialism and the first stage of the transitional period, nor to thoroughly grasp the laws of production relations which must be appropriate to the character and the degree of development of the production force. We have not made a serious study of the natural, economic and social characteristics of each region, nor do we fully understand the principle of free will, mutual profit and democratic management. p 11

For a long time, there has been no policy for encouraging family economy and no regulations as to the correct use of private and individual economy and the good coordination and cooperation between the different sectors of economy. p 11

..... consolidating the alliance between workers and peasants, intensifying solidarity among the working people, eradicating

private usury and promoting the socialist renovation of agriculture along appropriate lines and in appropriate stages. -A comprehensive policy for consolidating and intensifying the relations of socialist production in agriculture, forestry and fisheries, those of ownership, of management and of distribution, has not been worked out yet. In State-run units as well as in collective units, the mechanism of bureaucratic, centralized and State-subsidized management and of egalitarianism in the distribution of profit has been maintained too long. Many State-run units of agriculture, forestry and fisheries have incurred losses for many years. In cooperatives and groups of production, the distribution of land has not been carried out properly. p 12

Peasants thus lack enthusiasm in their work and this situation has presented obstacles to the development of production. p 12

Many errors have been made in the elaboration of major agricultural policies..... The policies concerning the relations between the State, cooperatives, and peasants which have been referred to in the Party's resolutions have not been institutionalized in time and brought into effect in a rigorous manner. p 12

The organization for supplying materials has been reformed too slowly and many negative aspects have been noticed. The distribution of State-supplied materials is indirect: supplies pass through too many hands. As a result, many losses are incurred, costs to peasants are high, and the level of production is adversely affected. pp 12-13

The centralized system of management has become more and more cumbersome, bureaucratic, and less and less efficient. p 13

The educational task of raising peasants' ideological. Cultural

and techno-scientific level and of implementing a new way of life in the countryside has not been carried out adequately. p 13

The organization of the Party in the countryside and in many agricultural economic units is still loose.....the Party cells' activity lacks combative spirit and educational character; the Party cells sometimes do not solve quickly and energetically enough cases involving members who have degenerated or found guilty of corruption, profiteering behaviour, bullying peasants, thus preventing the implementation of Party and State directions and policies.

The above-mentioned shortcomings and defects along with mistakes made in the policies of price, salary, circulation of goods and the high rate of inflation combined to slow down the development of production and managerial renovation in agriculture. p 13

RENOVATION OF AGRICULTURAL ECONOMIC MANAGEMENT

Truly liberate the productive force; coordinate the organization of production with socialist renovation; strengthen the material and technical bases and apply technological progress in agriculture; develop the potential of economic sectors in all regions and branches; transform our still self-sufficient agricultural economy into goods-producing sector towards the line of specialization combined with comprehensive business undertaking, appropriate to the natural, economic and social characteristics of each region; transform agriculture step by step into a large-scale socialist producing sector with a view to satisfying basic needs in grain and foodstuffs and supplying more materials to the manufacture of consumer and export goods, contributing to the realization of three great economic programmes, building up and protecting the environment, enlarging the market in the countryside for the development of industry, coordinating closely agriculture with industry and

communications and transport in order to have a unified economic structure. p 14

Solve the relations of interests, chiefly to guarantee a just interest to the producer and primarily, the rice-grower, unceasingly improve the life of the working people in order to contribute to the building up of socialism. p 14

Enlarge democracy, heighten respect for the legal system; build up a new socialist countryside. p 15

Renovate the organization of personnel to make it appropriate to the new economic structure and administrative mechanism, purify and heighten the combative spirit of the Party units, Party members and staffs in accordance with the requirements and content of a great political mobilization. p 15

We must link the realization of our policies with the development of production and the building up of the countryside. p 16

.... linked with the establishment of agro-industrial units and processing industries. p 17

.... increase the production of compound foods and build manufactures for processing food for exportation. p 17

We must organize the network of services and of supplies that enable fishing-boats to stay offshore for a long time in the fishing zones. p 18

We must organize groups of volunteer youth and other efficient forms of work organizations in order to absorb labour force yet unemployed such as young people coming of age, demobilized military-men, redundant personnel coming from State organs. p 19

1. Implementing the regime of autonomous production and business undertaking in all State-run economic units of agriculture and transform them into socialist cost accounting business

While bringing into full play the leading role of all the economic State-run system, we must consolidate the organization and renew the management of all the State-run enterprises.....so as to make them autonomous in their production and business, able to make profit, and completely abolish the State-subsidized regime. p 19

Consolidating the State-run units of production and processing that have incurred losses for years by clearly determining the orientation of production, applying techno-scientific progress in production and management, and streamlining the contingent of staff. At the end of 1989, the units that will not have been able to apply new methods will be disbanded or transformed into more appropriate forms of ownership. p 20

Even patches of land belonging to State-run units that have not yet been cultivated must be lent to peasants for production. It is forbidden to seize by force peasants' reclaimed land to establish State-run farms. p 20

Consolidating and developing State-run services such as irrigation, ploughing, supply of materials, seeds, tools, machinery, repair of machines, services for fighting pests and plant diseases, services for market sale, etc. In the renovation of management, we must link the responsibilities and interests of the service organs to the final products of the manufacturers through contracts. p 20

2. Restructuring the organization of cooperatives and groups of production and renovating their managerial apparatus

Cooperatives and groups of production are peasants' economic

units created by their own will under the leadership of the Party, the guidance and help of the State. They act upon the principles of self-management, self-responsibility as to the efficiency of production and profit, having a legal status of their own, equal before the law to other economic units, and having the task of developing the good points of the relations of socialist production.

Based on the natural, economic, technical and social conditions, the degree of managerial capacity of the cadres and the co-op members' occupations, the cooperative determines the forms, the size of organization, the orientation and task of production and business, the mode of management, the means of distribution and of consumption of products, in order to develop the production of goods with a view to increasing the income, raising the co-op members standards of living, the accumulation of reproduction and the welfare of the community, and fulfilling its duty to the State. p 21

.....transform oversized cooperatives. p 22

In high mountain areas, only efficient cooperatives must be maintained. p 22

Only when conditions are met must units of collective work be organized along appropriate lines. p 22

..... only when conditions are sufficient (techno-material bases being ensured, cadres sufficiently trained, peasants of their own will voluntarily asking to join the cooperatives) will united groups or cooperatives of appropriate size be organized. p 23

..... raising of the peasants' socialist consciousness encourage them to take part in collective production, in management and control of the managerial administration of the cooperatives or the groups of production. p 23

We must consolidate the managerial apparatus of cooperatives and groups of production so as to make them more efficient, unceasingly raising the degree of its managerial work, use highly qualified cadres, apply the principle of democratic management, eradicate embezzlement, profiteering behaviour, arbitrariness, autocracy, bureaucracy and oppressive measures. We must analyse the reasons that have led to inefficient cooperatives and groups of production, and apply effective consolidating measures; redetermine the scale appropriate to them, the adequate mechanism of production, increase their techno-material bases, renovate their managerial apparatus and appoint highly qualified and efficient cadres, etc. p 23

..... persuade fishermen to follow the orientation of State planning and sell their products to those services. p 24

Organizing forms of cooperation among fishermen. p 24

Creating and consolidating cooperatives and groups of production along appropriate lines according to their activities, the kinds of boats used, on the basis of willingness, mutual profit and democratic management. p 24

Cooperatives and groups of production must take the initiative in production and business planning along the line of regionalization, the State policies of encouraging production, the contract system with State-run economic units and others, the requirements of market and their own capacity of production. Cooperatives and groups of production, production and business plans must be worked out after democratic among the co-op members; the State will manage, guide and help cooperatives and groups of production through the policies of economic levers and laws, but will not issue direct regulations. p 24

Cooperatives and groups of production have the right to buy and sell properties which they no longer need (except for rice fields, forest land and water surface). p 25

The State will sell high-powered agricultural machines to cooperatives and groups of production and small machines to their members. The State-run economic units which have at their disposal properties they no longer need must give them back to the State for it to dispose of them according to plans: cooperatives and groups of production have the priority claim to buy materials sold by State-run units.

Cooperatives and groups of production must increase their existing capital by increasing the accumulation of enlarged reproduction and encouraging their members to invest in the community according to the policy of rational distribution of collective income. p 25

Except for taxes regarded as obligation, the relations of business between cooperatives, groups of production and State-run units are those based on equality and the law of supply and demand. p 26

.... they also can buy and sell things directly in the market. Cooperatives and groups of production are free to dispose of the surplus of products after paying taxes to the State and fulfilling the contracts they have signed with State-run units. Pp 26-27

Though the State organs of their choice. p 27

The State encourages cooperatives and groups of production to cooperate with techno-scientific research centres and schools to rapidly apply technological progress in production. p 27

..... and stabilize the clauses of contracts for a period of 5 years and only change them when the concrete techno-material conditions have changed. p 28

..... must again assign work to their members according to their own specialty, giving to each the task for which he is

qualified. Whenever possible, we must encourage the people who are qualified for a certain job to carry out the latter and return the patch of land allotted to them to cooperatives or groups of production. p 29

The principle of distribution must be based on the work done or the shares the m-op member has brought to the cooperative or to the group of production. We must abolish egalitarianism and the system of budget subsidies which are still widespread. p 29

Realize the contract system for managerial cadres according to the following principle: the portion allotted to them is bigger if the management is better and the expenses fewer; in case of bad management with high expenses and too much personnel, their income will be lowered and the personnel must be reduced. p 30

..... a policy on social fund in 1988 raised from the contribution of the population, of the production or business organs and State subsidies. p 30

..... pay special attention to the services ensuring good conditions to signatories and needy families so that they can carry out the contract signed with the collectivity. p 31

We must encourage cadres and workers of State organs and the members of agricultural cooperatives and groups of production to develop a family economy. p 31

State-run units and the collectivity have the duty to create conditions, guide and help households to develop their family economy according to regional and cooperative planning. p 32

The State acknowledges the long-lasting existence and the positive effects of individual and private economy in our advance towards socialism. p 32

.....prejudices against individual and private economies must be eradicated. p 32

In regions with large areas of uncultivated land, the State can rent or give the right to use fields, forest land or water surface to individual households or private persons for them to carry out the production or exploitation. p 33

Private and household companies are allowed to hire workers to meet the needs of production according to State labour laws. p 33

.....associations between State-run units and collective, individual, private and family ones, in which the State-run ones play the leading role. p 34

Transform the administrative apparatus at various levels and of ministries into management functions of the State in economy, completely entrusting the functions of management of production and business to grassroots economic units and to economic organs. p 36

..... directly guiding and organizing the building up of a new socialist countryside and unceasingly consolidating and intensifying the defence and security for protecting production and social life. p 37

The village People's Committee is responsible for the construction of the infrastructure, cultural and public works for cultural and information dissemination, launching of a movement for a new way of life, and guaranteeing order, security and carrying out a certain number of activities so as to build up a new socialist countryside. p 38

We must pay special attention to branches of heavy industry directly serving agriculture and processing industries of

agricultural, forestry, water and sea products. Mechanics must devise a concrete programme for serving agriculture, develop the production of agricultural tools and machines (we will not import the kind of agricultural and processing machines which can be manufactured at home and mechanical repairs). p 39

We must encourage Vietnamese people living abroad, having money in foreign banks and foreigners to invest in Vietnam to develop agriculture, forestry and fisheries according to the State law on investments. pp 39-40

For many collective production units and families: those of martyrs, wounded or sick fighters, those having done great services to the Revolution, those lacking in manpower or being in a particularly difficult situation, State-run economic organs must institute special measures such as supplying materials beforehand and granting delays in reimbursement in kind, granting credits at reasonable rates, etc., to help those organs or households to carry out production. p 40

The Council of Ministers has the duty of studying the policy of obligatory work of citizens so as to reduce working obligation for the peasants especially for women.

We must consolidate and intensify the system of socialist trade under many appropriate forms, transform State-run trade activities into socialist cost-accounting business, develop the countryside markets and the activities of trade cooperatives, encourage and create favourable conditions for the circulation of goods. p 42

..... the use of natural sources of energy. pp 42-43

We will create more sub-institutes of techno-scientific research and training schools in different regions for research and to train cadres more specially qualified to each region with different ecological conditions. p 43

.....and raise the efficiency of the managerial apparatus at all levels. p 44

We must urgently reconsider the contingent of leading managerial cadres of all branches and regions and grassroots units so as to appoint them to posts more suitable to their qualifications and have them follow in time refresher courses to raise their efficiency in management. p 44

.....(for the time being, the State will allot part of the expenses for these cadres to follow the training courses, but in the near future, the units of production which have sent their cadres to attend them must assume the whole expenditure for their training). p 45

The network of schools must be better equipped so as to serve a rational division of work and a better scheme of hierarchy between the Central, province and district levels in their formation and train agricultural cadres. The content of the courses must be altered in function of the renovation of the managerial mechanism in agricultural economy. p 45

Programming the setting up of a whole social-economic structure for each district and commune so as to create a harmonious coordination between different programmes, such as building infrastructures, agglomerations, houses, groups of techno-economic units, cultural, social and public works (such a (sic) schools, hospitals, infirmaries, crèches, cultural houses, information centres, Stadiums, etc.) and the construction of groups of work for the defence and security within the area. p 46

Realizing of the programme of building up a new socialist countryside characterized by solidarity among the inhabitants, welfare, a civilized and progressive way of life. p 46

.....develop the system of mass media and the system of general education, vocational orientation for young country people, put an end to alphabetism, improve the workers' qualifications; develop the system of communications in the countryside for the sake of economy, social life, defence and security, build up a new cultural life, a new socialist man and develop the tradition of combativeness, industriousness, courage, solidarity, faith and loyalty towards the Party on the way to socialism, with a wholesome, economical and progressive life, get rid of bad habits of superstition, and social vices still rampant in the countryside such as extravagant expenses on the occasion of ceremonies (funerals or marriage, drinking or gambling, etc.). pp 46-47

..... and encouraging them to live and work according to the Constitution and State laws. p 47

.....both in political and ideological understanding. p 48