

## DOCUMENTATION

### *Le Duan's Speech at the Sixth Plenum of the CPV Central Committee*

#### **Speech by CPV Central Committee General Secretary Le Duan at the 3 July 1984 Sixth Plenum of the CPV Central Committee**

##### *Part 1: Introduction*

Dear friends:

As we have reported, on 3 July, Comrade General Secretary Le Duan delivered a speech at the Sixth Plenum of the Fifth CPV Central Committee. The General Secretary's speech is composed of ten parts: 1) The labouring people exercise collective mastery; conduct the three revolutions simultaneously; 2) Build an industrial-agricultural economic management; 3) Associate planning with profit-and-loss accounting and socialist business with planning as the central task; 4) Carry out the scientific and technical revolution and socialist industrialization; 5) Achieve mastery in distribution and circulation; 6) Broaden economic relations with foreign countries; step up export and import; 7) Build a new culture and a new man; 8) Meet the needs of life and of accumulation of capital to achieve industrialization and ensure national defence and security; 9) Establish a mechanism of party leadership, people's mastery, and state management; and 10) Use the general strength of the revolution.

Beginning today, in our daily newcasts at 1800 and 2000 [1100 and 1300 GMT] we will have the honour to present this important speech by the Comrade General Secretary. In this current newcast, we are going to read its Introduction and Part 1 entitled: "The labouring people exercise collective mastery; conduct the three revolutions simultaneously":

Dear comrades, the current Central Committee Plenum will discuss the question of improving economic management. This is an important and urgent task which must be correctly carried out in order to bring into full play the achievements already recorded and take our national economy over the immediate difficulties and make it progress continuously and strongly.

Constantly improving economic management is our permanent and important duty. This duty has been set not only for our country, which is still at the initial stage of the transition period, but also for other fraternal socialist countries. During the past scores of years, in the process of building an advanced socialist society, the Soviet Union and other fraternal socialist countries have considered the perfection of the economic managerial mechanism to be one of the duties of prime importance, which is aimed at enhancing the production efficiency of the entire national economy, exploiting national potentials in depth, and developing the superiority of the socialist economy.

In our country, the question of renovating economic management was already set out in the programme of the party Central Committee soon after the Fourth Party Congress and was given particular attention at the Sixth Party Central Committee Plenum. At the Fifth Party Congress and subsequent plenums of the Central Committee, basic orientations were mapped out in this direction. Our party and state have made great efforts to further overcome bureaucracy and the ills of subsidization in the old managerial system, and have begun the building of a new managerial system aimed at correctly implementing the principles of economic management. This new managerial system is also designed to ensure the centralized and unified management by the central government, while developing the dynamism and creativity of establishments, localities, and sectors in production and business, achieving the labouring masses' right to collective mastery, and vigorously encouraging an increase in labour productivity and economic efficiency.

These initial results in economic management, as pointed out by the Fifth Party Central Committee Plenum, have made an important contribution to creating new changes in the socio-economic situation over the past three years. In spite of this, our national economy is still encountering many difficulties which can be seen in the following areas: material and technical bases are still weak; labour output, quality, and economic efficiency are still low; the socialist battleground has been narrowed in some respects; there still are lingering phenomena of disorder and indiscipline in the economic and social order; and the state machinery is not effective enough.

Besides the objective causes that the Central Committee has clearly pointed out on several occasions, we should realize the subjective shortcomings more fully, first of all in economic management. In this domain there are still numerous manifestations of conservatism and sluggishness as well as scatteration [sic] and localism. First of all, the party line has not yet been thoroughly understood or correctly concretized in a way suitable for the country's situation in order to create a more appropriate new managerial mechanism.

Under socialism, economic management must apply the objective laws already learned to ceaselessly enhance the efficiency of each production and business unit, as well as the efficiency of the entire national economy in order to achieve, at all costs, the socio-economic targets set by the leading party. Managerial practice and relatively widespread errors and shortcomings have attested to the urgency of the task of renovating management, both in its form and its content. We cannot avoid systematically examining everything — from the economic structure and production organizations to planning, the economic policies, and the managerial apparatus — in order to determine, on this basis, an appropriate managerial mechanism. This is no easy task, but it must absolutely be done and done correctly. Our efforts must be concentrated on resolving a number of key links at all costs.

A major advantage is that we already have at our disposal the rich experience of the fraternal countries in socialist construction in general and economic management in particular. We should refer to and apply this experience in a creative manner and should not copy it mechanically. To build a correct managerial mechanism, we must review our own experiences.

Taking our national economy from small-scale production to large-scale socialist production, bypassing the stage of capitalist development is an unprecedented occurrence in history but a necessity in modern times. The process of development from small-scale to large-scale socialist production poses a host of problems in theory and practice that should be resolved. These include thoroughly understanding the revolutionary line and the line of economic development, bringing into play the moving forces of development, strengthening

state management, enhancing the level of practical work organization, and launching mass revolutionary movements.

We will not be able to successfully manage the economy if we do not advance and grasp the sharpest theoretical weapon of our time: the method of dialectical materialism and historical materialism. The party must equip its cadres and members with a profound knowledge of theory and practice and promote among the contingent of leading and management cadres a correct way of thinking about economic matters, that is, a firm grasp and correct application of the economic laws and principled matters of the socialist revolution in our country. At this Central Committee Plenum, before going into resolving specific questions of the managerial mechanism, I would like to present these principled problems to the comrade members of the Central Committee, problems which have been raised very concisely and succinctly in the general line and the line of economic construction but which have not yet been fully understood or correctly applied by all of us.

If we fail to clearly realize the general principled problems and thoroughly understand the basic concepts of the line, we will not be able to make correct decisions concerning economic management.

1. The labouring people exercise their collective mastery; conduct the three revolutions simultaneously.

The line of socialist revolution set forth by our party clearly specifies: The labouring people acting as collective masters constitute the characteristic of the new regime. Establishing the collective mastery system of the labouring people is the comprehensive objective of the socialist revolution. The exercise of collective mastery by the labouring people is a completely new matter in our country as in other socialist countries. This is the very reason why one cannot easily realize its historical character.

To our Vietnamese people, the 4,000 years of national construction and defence have forged valuable and firm traditions for our nation: the will to master the country and a sense of community. Due to these traditions, our nation could stand firmly and not be assimilated after 1,000 years of domination by northern feudalism. Our forefathers victoriously fought the wars of aggression by the Chinese expansionist forces through many dynasties.

Now, under Marxist-Leninist leadership, these traditions unexpectedly meeting with the epochal trend created a great strength for the new regime, ensuring our people's ability to defeat the first two powerful imperialists — France and the United States.

Building the collective mastery system of the labouring people is to combine national traditions with epochal strength. As the nature of the new regime and the objective of the socialist revolution, collective mastery is the combined result of the three revolutions. It is established in close correlation with the new economy, new culture, and new socialist men.

The revolution in production relations creates the economic basis for the labouring people to exercise their collective mastery over labour, the means of production, production itself, and distribution and circulation. Making light of this revolution, no matter in which tasks, will also weaken the economic bases of the collective mastery system. Reluctance to carry out socialist transformation and failure to correctly carry out or emphasize the planning task, develop mastery over production and distribution and circulation, and properly implement the principle of distribution according to labour, and so forth are tantamount to allowing non-socialist economic elements to develop, eroding the socialist economy, and diverting economic activities from the fundamental socialist orientations.

The technological revolution creates the material and technical basis of socialism. This revolution gives the labouring people the ability to increasingly and more successfully master nature and society, erects the material backbone of the new regime, brings about the

victorious socialist national industrialization, and ensures total and permanent victory of collective mastery over individual mastery. If we lack zeal to adopt technology and determination to carry out industrialization, and if we delay in applying the technological revolution to the necessary tasks, production will mark time and the workers' livelihood remains difficult.

The revolution in production relations combined with the technological revolution forms the industrial-agricultural structure and the socio-economic, material and technical bases of the collective mastery system.

The ideological and cultural revolution builds new socialist men who know how to exercise collective mastery and have an ability and sense of mastery.

We must overcome the situation in which we neglect the ideological and cultural battlefield, and fail to resolutely struggle against the capitalist, colonialist, and feudalist ideologies, and criticize and transform the thinking, life-style, psychology, and the habits of small producers; the vestiges of former culture, and backward customs and mores which deprave man and incite egoism.

The collective mastery system is the whole body of all political, socio-economic, and cultural relations. It must be built in a uniform manner by simultaneously implementing the three revolutions.

The collective mastery system is not merely the final goal of the socialist revolution but is also the objective for daily revolutionary acts. The relations of a new socialist society take shape, develop, and ripen through each developmental step of the socialist revolution. We must promptly and gradually institutionalize these relations by appropriate organizations, plans, laws, and rules, in order to ensure that the labouring people can actually master their own life.

Depending on the development of the three revolutions, the collective mastery system is built step by step, from lower to higher echelons, and from imperfection to perfection. Properly established, the collective mastery system becomes the motive force of the socialist revolution. It makes the labouring people masters of society, nature, and themselves. Exercising mastery is to grasp regulations and act accordingly. When man can grasp the laws of society, nature, and thinking, and apply them to the organization and management of society, he will accelerate the evolution of history at unprecedentedly rapid rates.

The collective mastery system assures political, economic, cultural, and social mastery for the labouring people. Political mastery creates the integrated strength of three factors: the party leadership, state management; and the broad revolutionary mass movement of tens of millions of people. Economic mastery ensures unity between production relations and forces, intermingling production relations with production forces. It allows the immediate reorganization of some tens of millions of people to exploit land and develop sectors and jobs in accordance with a rational programme and nationwide plan. In combination with the technological revolution, it creates great production forces to triumph over poverty and backwardness. Cultural mastery creates conditions for the labouring people to develop the fine traditions of the nation, grasp the towering achievements of human intelligence, and transform them into material strength.

So, the collective mastery system brings about the three most powerful tools to the labouring people: political power, economic and technological strength, and ideological and cultural force.

The collective mastery system combines community force with individual strength. Society, family, and individuals are originally united, but human exploitation systems antagonize society to individuals and families. The collective mastery system unifies

individuals, families, and society in the most rational existence. It liberates society so that individuals can be liberated and takes care of the prosperity of society for the happiness of each family and each individual. It binds individuals to the discipline of the community in order to bring about adequate freedom to individuals. It combines community mastery with individual mastery, and brings about integrated strength for the entire country, each locality, and each collective. Individual mastery develops the physical and intellectual strength and ability of liberated people within the framework of and in conformity with community mastery.

The collective mastery system combines the strength of mastery at three levels: national, local, and grass-root levels. It creates the strength of the entire country.

Exercising mastery nationwide is the basic condition to exercise mastery over each locality and each primary installation. National strength stems from the primary installation and localities.

Mastery at a national level creates conditions for developing a mastery of each primary installation and each locality. Since the Fifth Party Congress, the revolutionary realities have given us fruitful lessons on developing collective mastery as the objective and motive force of the revolution.

The implementation of some correct policies of economic management at different levels has clearly made the source of this motive force of the collective mastery system stand out. All these correct policies have asserted the truth that the labouring people acquire their mastery not for any other purpose than their own benefits.

Karl Marx expressed this truth in a profound manner: once ideology is detached from interest, it will certainly disgrace itself.

Collective mastery is the only system capable of fostering the labouring people's lasting interest according to the basic economic law of socialism: to satisfy the increasing material and cultural needs of all society and each of its members by ceaselessly developing production on the basis of collective mastery and ever higher science and technology. In the economic domain, the system of collective mastery shapes a rational structure of interest. This is the unification of the interests of society, of the collective, and of the individual labourer, of which the interest of society is paramount and lasting, that of the collective is very important, and that of the individual labourer is direct. The system of collective mastery also demands and permits a harmonious association of the interest of the entire country with that of each locality and each basic unit, of which the interest of the entire country is paramount and lasting, that of the localities is important, and that of the basic units is direct. Once associated, these interests constitute a moving force that stimulates the labourer to produce and work increasingly better.

In economic management we must overcome the malady of bureaucratic centralism — which belittles the interests of the labourer, the basic unit, and the locality — as well as the maladies of localism, particularism, factionalism, and individualism, which make one concern oneself only with promoting the interests of the locality, the collective, and the labourer at the expense of the entire country. If we correctly care for the interests of the locality, the basic unit, and the labourer, we must also care for those of the entire country. If we ensure the interests of the entire country, it is also because of the interests of the locality, the basic unit, and the labourer.

The system of collective mastery not only ensures the labouring people's interests but also closely associates interests with power, obligation, and responsibility. Wherever there are interests there must also be power to guarantee that the interests are implemented. Interest and power, however, must go hand in hand with obligation and responsibility, the

highest ones being the obligation to and responsibility for the cause of socialist national construction and defence. If one has interest but no power, then one has no way to implement one's interest. Having interest and power but no obligation or responsibility will give rise to privileges and special interests. In any case, the relationship between interest, power, obligation, and responsibility must be institutionalized as laws, procedures, and regulations.

To ensure the people's interest and firmly defend the fatherland, there is no other way than exercising collective mastery.

In economic management we must adhere to the viewpoint of collective mastery, regarding it as the most important principle in economic management, and must achieve at all costs a harmonious association of the various interests. On this basis, we must bring the moving force of the system of collective mastery into full play, advance the three revolutions, and vigorously and steadily develop the economy.

### *Part 2: Build an industrial-agricultural economic structure*

With the industrial-agricultural economic structure serving as a material foundation, the collective mastery system can economically reflect and guarantee its nature, its goals, and its driving force. In the process of advancing from a small production to large-scale socialist production, industry and agriculture must be linked together as a sole structure right from the outset. All establishments of the centrally- and locally-run economic sectors must be developed in terms of specialization and closely-organized union in production. Production forces and production relations must be bound together as an integrated whole. The economy must be linked with national defence and the division of labour in the country must go together with the broadening of international cooperation.

The structural relationship between industry and agriculture has been an objective reality from time immemorial when man ended the stage of gathering and was beginning cultivation in order to support himself with food and clothing. Preparing the soil with the most rudimentary tools, mankind at that time combined both agriculture and industry into one production movement. Throughout the course of history, industry has always been instrumental in deciding changes in the quality of agriculture, marking the development of mankind from the stone age to the bronze and steel ages and from the use of rudimentary tools to the use of heavy industrial machinery.

Being linked with and stimulated by industry in achieving growth, agriculture has always played a vital role in meeting mankind's ever-growing demands for food, clothing, and housing, and in supplying manpower and creating markets for industry. Enslavement and feudalist systems, especially the capitalist system, have deepened the division between industry and agriculture and have caused a division between industry and agriculture and have caused a division between urban and rural areas. Although the relations between industry and agriculture are an objective reality that cannot be eradicated, these relations have spontaneously developed through marketing activities with numerous imbalances and irrationalities and have been distorted by the system of the exploitation of man by man.

Before the introduction of the labouring people's collective mastery system, mankind was unable to master the relations between industry and agriculture. Advancing from small production to large-scale socialist production, we advocate linking industry with agriculture into a structure right from the beginning in accordance with those regulations which have been integrated into party lines and which call for giving priority to developing heavy industry in a rational manner while promoting agricultural and light industrial development.

Binding industry and agriculture together into a structure will demonstrate the abilities of our country's workers and labouring peasants to join hands in achieving collective mastery in socialist construction under the party's leadership.

Priority must be given to developing heavy industry. Only by so doing can we fulfill the central tasks of the transitional period, namely carrying out socialist industrialization and creating what we now badly need for successfully building socialism and firmly defending the fatherland — a heavy engineering industry that is enough to provide modern technical equipment to the entire economy and can be instrumental in promoting the establishment and the strengthening of socialist production relations and training new men to suit modern, large-scale production. However, the priority development of heavy industry must be carried out rationally, by deciding at what stage we must concentrate on developing which heavy industrial branches. We must rely on the growth of agriculture and light industry to determine the scale and the extent at which we must develop heavy industry. In the initial stage, efforts must first be focused on prompting the development of agriculture and light industry if heavy industry is to acquire capital, manpower, and grain for its workers, equipment and raw materials for its factories, and markets for its products.

In the current initial stage, agriculture and light industry have the greatest potential for attracting the social work force and making full use of this work force and land as well as other natural resources of the country in order to turn out more products to meet the people's subsistence, material, and cultural requirements. However, every developmental step of agriculture and light industry will take place under the impact of heavy industry and will be aimed at creating more bases for the development of heavy industry.

In the relations between heavy industry and agriculture and light industry, the rational priority role of heavy industry as well as fundamental role of agriculture and light industry creates conditions for each other. Binding them together into a structure like this constitutes an evolutionary law of the economy.

In the initial stage of the transitional period, we must develop collective mastery into a driving force for rationally using our most valuable assets and our greatest economic potentials, namely manpower and land. We must arrange employment for all labourers and exploitation of all land.

The collective mastery system allows us to advance agriculture directly to large-scale socialist production, to carry out production and distribution of agricultural products in accordance with the national plan, to strengthen the material and technical bases of agriculture, to apply more advanced scientific techniques to agriculture, to complete the socialist transformation of agriculture, and to build a new rural life and new peasants.

We can redistribute labour in each locality and throughout the country in order to carry out intensive cultivation and increase the number of yearly crops. This is to go along with expanding the cultivated area and exploiting potentials in the deltas, midlands, mountainous regions, and sea areas. We must closely associate specialization with general business in agriculture, vigorously develop cultivation and animal husbandry, and achieve a close co-ordination between agriculture, forestry, and fishery.

Through these measures, we will strive in the present initial stage to fully use 10 million hectares of agricultural land and 15 million hectares of forest land, to cultivate an average of two crops a year on the land that has been under cultivation, and to arrange an allocation of crops and an animal husbandry pattern in a rational manner in order to make each hectare of land yield the highest economic benefits.

Practical results obtained along this line over the past few years prove our capability

of making agriculture advance toward fulfilling its three duties: ensuring sufficient food, clothing, and dwellings for the people and, in particular, producing sufficient grain for consumption and for reserve; supplying consumer goods industries with raw materials and agricultural products; and creating important sources of export goods.

Such an advance of agriculture to large-scale socialist production is not due to the efforts of peasants and agriculture alone, but it is also the result of the work of both workers and peasants or both industry and agriculture which are closely related to each other in a rational structure.

Agricultural development must be closely associated with development of consumer goods industries which include the foodstuffs industry and various light industrial sectors. Consumer goods industries play a very important role. They employ a considerable amount of labour, increase the value of agricultural products through processing, and manufacture finished goods to meet the consumers' needs. Therefore, they are in a position to produce enough goods for exchange with peasants, stimulate agricultural production, provide many items of export goods, help collect major revenues for the state budget, and cut down on overspending in an effort to stabilize the financial situation.

Over the past few years the production of consumer goods has increased slowly, manpower and equipment have been used at only half capacity, and the quality of many products has decreased. These shortcomings have directly stood in the way of agricultural production, created more difficulties for the state to control goods and the market, caused a slow development of exports and imports, and adversely affected the people's life. Presently we have the ability and there is a critical need to solve such problems as supplying energy and raw materials, reorganizing production, and renovating the managerial system in order to develop consumer goods industries both in depth and in breadth, from the central-level state-run industries to handicraft trades and sectors in the rural areas. If the volume of consumer goods increased by only 25–30 per cent, there would be marked changes in the state economic position and strength.

In the initial stage of socialism, to concentrate efforts on accelerating agricultural production and to actively develop the production of consumer goods is to strengthen the bases for building heavy industry. On the other hand, to advance agriculture to large-scale socialist production and accelerate the production of consumer goods, we must constantly hold firm to and develop the rational priority role of heavy industry in using really satisfactorily existing heavy industrial capabilities, building more necessary heavy industrial establishments, and ensuring the supply of more electricity, fuel, fertilizer, insecticide, basic chemicals, various kinds of equipment, machines, tools, spare parts, and construction materials. Heavy industry must rationally develop the production and increase the quality of export goods in order to gain more foreign currency to import equipment and materials for agriculture, consumer goods industries, and heavy industry itself.

The communications and transportation sector must be reorganized in all respects by broadly implementing the state-and-people-work-together policy in order to quickly and safely support production, construction, national defence, and the people's life.

In the coming years, special attention must be paid to accelerating the development of the energy and communications and transportation sectors which are the two key components of the infrastructure to ensure the conduct of all production and business activities. They are, at the same time, two vital and outstanding areas of the economy.

While orienting heavy industry towards primarily promoting agriculture and the consumer goods industry, we must make all necessary preparations such as establishing



economic and technical dialectics and winning the cooperation and assistance of fraternal and other countries to build heavy industry, design various projects, and further train workers and cadres.

We must always be active in making full use of all opportunities and abilities to proceed with building some of the key heavy industrial projects, especially the engineering and metallurgy industries. Without steel and mechanical engineering there would be no heavy industry or socialism.

We must strenuously struggle to build major and heavy machineries, accelerate the pace of the mining of oil and gas, quickly making oil and gas an economic trump card; build some more thermal and hydroelectric plants after the Song Da, Pha Lai, and Tri An projects; construct metallurgy installations of 500,000 and millions of metric tons of capacity along with some installations of some hundreds of thousands metric tons; and develop nonferrous metallurgy, the chemical industry, and the construction materials industry.

To sum up, in the very first stage, beginning with the five-year 1986–90 plan, we must gradually proceed with the tasks that will become the vital content of the next stage which is to build a network of developed heavy industry serving as the core for the modern economic industrial-agricultural structure.

In an economic structure, the paramount fundamental role rests with the primary units. Without primary installations, there will be no industry and agriculture nor central and local economies and the economy as a whole does not exist.

The primary units constitute the front line of the economic battlefield where all the material wealth, surplus products, and accumulated assets are produced, and where the labouring masses must daily and directly conduct the three revolutions under party leadership and state management.

In industry, primary units are factories or joint enterprises. In agriculture, which is advancing to large-scale socialist production, basic units are districts closely associated with co-operatives. With approximately 200,000 people and a cultivated area of about 20,000 hectares, districts play a role of historical significance, serving as a suitable area on which to gather forces from co-operatives, perform a new division of labour, make full use of land, develop sectors and jobs, link cultivation and animal husbandry to the processing of agricultural products, and combine the forces of co-operatives and districts with those coming from the provincial and central levels to create an integrated strength to develop the economy, build a new culture and new men, consolidate national defence, and ensure the people's livelihood and the recycling of production for expansion.

The fundamental task of economic management is to strive to consolidate and properly develop about 400 major factories and organize joint production in industry together with approximately 400 agro-industrial districts. In this way, we quickly increase social products, radically control goods and money, and create a strong backbone for the economy.

In this regard, we must most rationally reorganize production in each factory and each district and apply scientific and technical innovations to the production and business of each primary installation in order to achieve high productivity, quality, and effectiveness. We must extend independence to primary units, and enhance their dynamism and flexibility, concentrate the strength of all sectors at all levels on guiding and serving the primary installations, promptly eliminate weak installations, quickly turn fair installations into advanced ones, and rapidly review and disseminate the experiences of outstanding installations. This is the major guideline for renovating economic management.

The system of collective mastery on the three basic levels will naturally lead to an economic structure in which the basic units are rationally integrated into the central and local economies. The central economy encompasses the most important establishments of the entire country. These establishments, as the leading units of heavy industry, the consumer goods industry, and agriculture that employ modern technology and operate on a large scale, will help various economic and technical sectors to take shape at an early date, to become the pillars of the large-scale production system, to achieve specialization and sophistication, and to apply modern science and technology.

We must actively consolidate the existing economic and technical sectors and make every effort to steadily build new economic and technical sectors nationwide, to begin with the important ones. We must pay particular attention to the integration of adjoining and mutually complementary sectors, especially the integration of industry and agriculture. This is a strategic task both in the immediate future and in the long run. It calls for close cooperation and co-ordination among various ministries and the administration at all levels — provincial, municipal, district, and precinct.

The local economy encompasses medium- and small-scale establishments, establishments for processing agricultural, forestry, and marine products produced by localities; light industrial and building materials establishments of local significance; and a number of establishments producing work tools and production materials for local use. The local economy makes the fullest use of all on-the-spot resources and strengths to achieve the highest regional efficiency. It produces a great variety of goods, takes charge of their distribution and ensures the welfare of all the local population, creating a spectrum of rich colours for the economy and all society in each region. It combines economy with national defence, ensures on-the-spot logistics, and makes increasingly greater contributions to the cause of national industrialization.

By rationally determining the structure of the central and local economies and simultaneously developing them, we can link together all the three stages — those of simple cooperation, a manual work site, and a large engineering industry; correctly apply rudimentary and modern techniques and large-, medium-, and small-scale production; thereby advancing to large-scale socialist production in the most rational and active manner.

The economic structure and managerial mechanism are closely linked to form a single entity in which the economic structure decides the managerial mechanism while the latter serves the former and stimulates the shaping of the new economic structure. We must actively rearrange and reorganize social production, beginning with the basic units. We must set up a rational industrial-agricultural structure to serve both as a target and as a basis for the renovation of the managerial mechanism. Only in this way can the state plans and lever policies develop their effects as expected.

On the other hand, we should take the initiative in determining an appropriate managerial mechanism and apply this mechanism to build the new economic structure in strict accordance with the party line. The important links and weak aspects of the economic structure must be key targets in renovating the managerial mechanism.

In this spirit, at present renovating economic management means seeing to it that all establishments have independence in production and business and that the district level has sufficient right to mastery to successfully build industrial-agricultural districts. It also means that the local economy must be strongly developed; that the various economic and technical sectors, especially the key ones such as engineering, energy, communications and transportation, metallurgy, and chemicals, must be actively built; and that all establishments as well as

all sectors and localities must quickly apply science and technology and turn out large amounts of products of good quality to ensure the people's welfare and achieve accumulation for socialist industrialization.

*Part 3: Associate planning with profit-and-loss accounting and socialist business with planning as the central task.*

The economy is established on the basis of public ownership over the means of production just as the entire socialist regime was born in a planned manner. While planning the development of each primary economic unit, each locality, and each sector, we must plan the entire national economy and rationally organize all labour forces in order to use all labour objectives and means of labour effectively. From the viewpoint and scale of the entire society, we will mobilize all the material and intellectual forces of the regime, concentrate on fulfilling the various tasks, and achieve national objectives. This is a characteristic of the nature and superiority of socialism, which capitalism does not possess.

The collective mastery system allows and calls for the development of this nature and superiority from the very outset. We must plan the socio-economic development, build the various standards of self-consciousness and activity increasingly higher for the economic industrial-agricultural structure as well as for the entire socialist society, thus avoiding the crises that are part of the increasingly serious disease of the international capitalist system.

In our country, although the economy is still dominated by small production and the socialist production relations are not yet widespread throughout the country in this initial stage of the transition period, we always rely on the established collective mastery of the labouring people to develop the role of the socialist state and constantly grasp the planning task in a firm manner, considering it the centre of the economic management network for using plans to accelerate the development of production so we can meet the consumption demands of the entire society, assure national defence and security, and carry out national industrialization.

The realistic experiences in socialist construction show that planning is one of the fundamental, urgent, difficult, and complicated issues in the task of applying international laws and developing the many-sided motivating force of the new regime in creating a decisive factor for the victory of socialism, which has a higher labour productivity than capitalism.

Planning is the party's socio-economic platform. The state plan that arranges the economic structure, balances, proportions, and targets reflects the strategic selection of the national economy.

In this spirit, planning is to control all the assets in terms of labour, land, and other resources and to successfully use all the material and technical bases and production capacity to produce much wealth for society.

The major construction projects using hundreds of thousands of people and the capital of billions of dong, the state factories employing thousands of workers, and the production activities of each peasant and individual craftsman are all included in plans or absorbed into the orbit of plans. All the tasks from meeting the great and multifarious demands of the entire society and making long-term preparations for future generations to ensuring a normal everyday life of each household, raising small children, and caring for old people are calculated and reflected in the balances of the plan.

Plans must be the strongest leverage in the network of economic leverages and are not merely binding regulations. They actually contain in themselves a great force of stimulation and encouragement to the primary units, localities, sectors, and individual workers. Plans

must be the combination of carefully selected scientific and technical projects which guarantee the swift introduction of scientific and technical innovations into the national economy, create favourable working conditions, and compel all primary installations and workers to work according to progressive economic and technological standards and norms.

Plans must encompass the scope of the three revolutions. Economically, they must manage all the tasks in the process of recycling production and link production closely to distribution and circulation and consumption, and domestic markets to world markets.

In conformity with the three fundamental levels of collective mastery, we must build the three basic planning levels: the national level involving sectors, the local level, and the primary installation level. All three levels must be mastered by each planning level according to the appropriate scope and method of planning. The three planning levels constitute an objective entity and a unified political and socio-economic reality. The central task of management must be defined as the planning system from the central level to the primary installations. In this system, the plans formulated by primary installations, districts, and localities play a very important role.

Speaking of planning at three levels does not mean that a plan is decided upon at a centre and is then divided into parts and handed down to the lower levels. Similarly, it does not mean that primary installations can formulate their own plans at will, regardless of plans by higher echelons.

Collective mastery at the three planning levels means that each level must actually master its own plan by formulating, balancing, protecting, and implementing its own plan. Each primary installation and each locality is extended ample authority so that it can refer to its guidelines and tasks, and the main national norms to exploit all the potentials of production, business, and labour units in order to achieve high effectiveness, ensure rational distribution, improve workers' livelihood, meet units' requirements of recycling production for expansion, and make more contributions to national industrialization.

While pointing out the need to give the primary installations, districts, localities, and sectors more authority to master plans, we also stress accordingly the necessity of enhancing the responsibility and duty of all these levels as regards the development of the entire economy and the livelihood of the people throughout the country.

Of the three planning levels, we uphold the priority position and decisive role of national planning. Although formulated first by the primary units, a national plan is not the simple addition of plans by primary units. A national plan must determine the orientation, objectives, and common tasks of the entire social economy. It must accurately indicate the sectors and the targeted areas where forces throughout the country must be concentrated. It must truly combine the plans by various echelons and sectors into major balances, main norms, and measures of implementation.

To do one's utmost and contribute to fulfilling the national plan must be the duty, conscience, and honour of every unit and each worker who exercises his collective mastery.

In the system of short, medium, and long-term plans, annual plans, and quarterly plans of all levels, the establishments also have their own monthly and weekly plans. Playing the key role, these plans are tools of management that must be flexibly and promptly readjusted according to changes in the socio-economic situation. If all capabilities can be discovered and fully exploited, positive factors can be fostered as soon as they emerge, and difficulties can be overcome as soon as they appear, it is due to such flexible readjustments.

At the same time, the five-year plan, divided into annual plans, plays an increasingly important practical role and gradually advances to become the principal form of planning. In the immediate future, we must urgently elaborate the 1986–90 five-year plan. Defining the

socio-economic strategy for the transitional period and the initial stage, formulating projects for the development and distribution of productive forces, and elaborating long-term plans are the basic tasks of the planning process that should be seriously promoted to concretize the party line, apply the laws governing the advance to socialism, open prospects, and guide the entire process of socio-economic development for a relatively long time.

On all levels, the planning task must be an economic task closely linked with pulsating life and the real socio-economic situation. In carrying out the planning task, we must use diversified forms to attract the active participation of the contingent of economic, scientific, and technical cadres and of large masses of the labouring people, thereby making sure that the plans on each level are truly an achievement of collective intellect.

Economic accounting is a socialist management method applied to establishments and production and business organizations. Each unit must adhere to its plan as the centre of activities. Exercising its right to mastery, each unit must calculate economic efficiency, mobilize all of its forces, bring into full play all growth factors, and exploit all capabilities through domestic integration efforts, through export and import, in order to formulate and implement its own plans in the best way possible, achieve financial independence, cover all its own expenses, make large profits, and correctly distribute them in favour of all the three interests — those of society, of the unit, and of each labourer.

It will not be economic accounting if all the aforementioned factors are not present, such as the use of the plan as the centre of activities, the financial independence of establishments, and the satisfactory distribution of profits in favour of all the three interests. To carry out economic accounting, we must establish norms and standards, compile statistics, and meticulously calculate efficiency. Economic accounting is not commercial accounting.

For production and business establishments, organizations, and sectors, socialist business precisely means the implementation of the economic accounting system. Socialist business also includes the novel ways of thinking and doing of people who exercise collective mastery and who are characterized by their undiminished sensitivity to economic efficiency.

All managerial levels and all managers, from the Council of Ministers, the comrades heading the various sectors and localities, the staff and combat cadres on the economic front down to each labourer, everyone, in performing his own specific functions and duties, must be imbued with the concept of socialist business and know how to conduct socialist business. The State Planning Commission is the general staff for socialist business and the state plans are actually the socialist business plans for the entire country.

If plans are not linked to economic accounting and socialist business, then they are merely the subjective products of bureaucratic management organs divorced from life. If economic accounting does not make plans for the centre of activities, then it will lose its nature and its soul and will no longer be economic accounting but simply manoeuvres characteristic of guilds and societies. To do business outside the plans is tantamount to veering away from the socialist orientation and extolling the dominating role of the law of value and of the market.

Using concrete methods and forms of planning and defining adequate economic lever policies to achieve the linking of planning, economic accounting, and socialist business to suit the initial stage of the transitional period in our country is the direction for renovating our managerial mechanism and planning work. This direction, both in the long run and in the immediate future, calls for overcoming bureaucratism, the practice of subsidization, and the tendency to run after the free market. It also calls for opposition to bigoted localism and particularism. This direction means that we must broaden the powers, uphold the responsibili-

ties, and increase the benefits of the lower echelons, first of all of the basic units and the districts.

Truly giving financial independence to establishments and truly upholding the right of all localities and sectors to take the initiative in production and business are to boldly and adequately promote the labourer's material interest, considering it is a very important factor among the material and spiritual moving forces of the system of collective mastery. It also means that we must develop the strength of each person and encourage individual initiative in conjunction with bringing into full play the collective strength. Broadening the independence of establishments and promoting the material interest and liberating the creative power of each labourer in parallel with developing the strength of the collective are meant to enable the labouring people to zealously and enthusiastically delve into science and technology, and work with productivity, quality, and efficiency. They are also meant to create favourable conditions for consolidating socialist order, enhancing the effectiveness of the legal system and discipline, and promoting the mass revolutionary movement, through which cadres must be selected and talents fostered.

Broadening the lower echelons' right to mastery in the economic field is to create necessary conditions for the central echelon to concentrate its efforts on achieving the major balances and firmly control the key elements of social reproduction, the most important building projects, and the products of strategic significance to the entire country. The central state must firmly hold in its hands the key elements of the national economy for three purposes: first, to provide guidance over the orientation and activities of the entire economy; second, to meet the entire country's demands for which the central echelon is directly responsible; and third, to ensure that the right to mastery of establishments, localities, and labourers is broadened — and this is a very important point.

Under the current conditions, in its plan each unit must be able to utilize four sources of material capabilities — the capabilities of the unit itself, the capabilities resulting from economic integration, the capabilities created by export and import activities, and the capabilities supplied by the upper echelons.

Plans must be able to bring into full play the great strength of the application of science and technology, to help renovate economic management, to promote absolute economization, and to stir up the people's revolutionary movement.

#### *Part 4: Carry out the scientific and technical revolution and socialist industrialization*

The scientific and technical revolution in the world is creating systems of automatic machinery, new sources of energy and raw materials, manufacturing industries, and facilities to control the economy and manage society with unprecedented quality and results.

The scientific and technical revolution is touching all domains of human life and activity and bringing about marvellous progress.

Science, together with technology, is truly becoming a force directly engaged in production. The scientific and technical achievements are materialized not only in equipment, tools, and materials but also in the advanced knowledge of operational regulations conforming to the laws of nature and society, modern production means in industry, the link-up measures for intensive cultivation to increase yields in agriculture, and new creative methods of economic management.

Many of the advanced scientific and technical achievements can be applied to those countries in which the economic development standards are still low. Developing the

superiority of the labouring people's collective mastery system, we can exploit this extremely important capacity of the scientific and technical revolution. We turn the scientific and technical revolution into the key component of the socialist revolution and we strive to create the material, political, and social conditions for it to develop vigorously.

We must simultaneously develop the three sciences: the natural, technical, and social sciences. We must build men of the new society into knowledgeable and self-conscious men who carry out the scientific and technical revolution. Our motto is to quickly surge forward and master by all means those scientific and technical domains that are necessary and can be acquired in the spirit of mastering by all means all that is required by the country.

We must develop the great creativity of the contingents of scientific and technical cadres, encourage innovations and inventions, select the advanced issues, and directly engage in modern technology or in those areas connected with the highest scientific and technical achievements. At the same time, we must also use the achievements of medium size and the necessary manual labour facilities.

However, in the collective mastery system, we can also grasp and apply the advanced achievements to manual labour such as those in the biological revolution, the regulations on increasing the productivity of cultivation and animal husbandry, modern industries.

Such a scientific and technical revolution is obviously not only the task of intellectual labourers and researchers in schools and institutes but basically it must be the undertaking of broad segments of the masses and must become the regular movement and working habit of tens of millions of workers.

The key role of the scientific and technical revolution is closely associated with the implementation of the central task of the transition period which is the socialist industrialization aimed at building the heavy machinery industry that is capable enough to provide modern technical equipment to the various sectors of the national economy. We must build the network of heavy industries and develop the technical infrastructure, especially the communications and transportation network.

As a result of such a connection, the steps and performance of socialist industrialization are the steps and performance of the scientific and technical revolution.

In the immediate future, while concentrating our efforts on advancing agriculture to a large-scale production through a rational industrial-agricultural structure, we must look ahead and calculate, preparing for the next stage of industrialization. We should clarify the general guidelines and determine the scientific and technical selections concerning each of the sectors such as the biological revolution, engineering, electronics, energy, metallurgy, chemicals, construction materials, communications and transportation, and so forth. These selections must stem adequately from the potential of the country concerning each sector and must lend themselves to the appropriate use of advanced achievements.

Concerning a number of decisively significant sectors such as engineering, the economy's nerve centre, we must pay attention to the fact that backwardness here will cause technological backwardness in all other sectors and that the longer backwardness is allowed to last, the more difficult it will be for us to overcome it. For this reason, we must quickly advance some decisively significant sectors into modern technology at an early date.

The choice of scientific and technological orientation must be united with the choice of socio-economic orientation. Science and technology must produce optimum economic efficiency and the economy must be modern in terms of science and technology. This orientation must be implemented in the general economic, scientific, technological, and social programmes serving as the core of the national economic plans. Science and technology are

not only the basis of socio-economic activities but also the intrinsic requirement of these activities. In economic management we must introduce progressive scientific and technological achievements into the substance and methods of planning, the lever policies, and the organizational forms so that the new managerial mechanism may employ science and technology as direct productive forces.

Thus, there are two closely related aspects: one is that we must enhance the scientific and technological level of management to ensure that decisions on investment, production, distribution, circulation, and consumption are made quickly and correctly; the other is that we must shape a managerial mechanism which really helps promote production through science and technology, thereby making it possible for us to ceaselessly improve products, save on material consumption, and achieve high productivity, quality, and economic efficiency.

Favourable conditions already exist for us to advance the scientific and technological revolution. The contingent of scientific and technological cadres is increasing relatively quickly. This contingent is approximately 850,000 strong, including middle-level technical cadres. There are also nearly 1 million skilled workers. The distribution of these cadres is being readjusted along the line of assigning more of them to production establishments.

Many scientific and technological cadres are endowed with talents and quality. The scientific and technological research and management organizations have also rapidly developed, shaping a system from the central echelon to the enterprises and co-operatives.

Work in the field of scientific research and technological application has recorded praiseworthy achievements in agriculture, industry, communications, building, and basic natural surveys. Tens of millions of labourers in the countryside and the cities, surmounting countless difficulties, have carried out numerous innovations to promote production and have applied the progressive achievements of science and technology.

The scientific and technological capability of our cadres and people has not yet been correctly appreciated and satisfactorily utilized in various tasks ranging from the development of the initiative and creativity of the masses on the spot to work out concrete scientific and technological measures and the concentration of forces on resolving the problems of each sector's scientific and technological development, to the general mobilization of all the contingent of natural science, technological, and social science workers in combination with the labourers' intellect to formulate general projects and plans for the social economy.

Our planning methods, management policies and procedures, and work organization style have not yet encouraged and compelled everybody to apply science and technology. Worse still, there have been cases in which scientific and technological progress has been rejected in favour of the maintenance of obsolete modes of production. The policies concerning scientific and technical cadres, such as the policies on training, education, creation of conditions and facilities for work, and caring for the material and spiritual life of cadres, still contain many unsatisfactory points.

The basic orientation of the task of renovating the economic managerial mechanism and even the scientific and technological management mechanism is to overcome the aforementioned shortcomings, making it possible for the new managerial mechanism to truly pave the way for science and technology to become an inherent part of all economic decisions and a growth-stimulating factor of the economy. Scientific and technological cadres must be placed in their right positions; they especially must be correctly deployed in production, research, and experimental establishments. They must be treated not mainly



according to their degrees and academic titles but must be paid, commended, and rewarded according to the socio-economic results of their creative labour in production and life.

This mechanism also ensures the mobilization of the participation of tens of millions of labourers in the scientific and technological revolution that is taking place daily.

SOURCE: *Foreign Broadcast Information Service (FBIS)*, 17 August 1984.