

# Hanoi's party leaders gear up for economic recovery

by Daniel Sneider, Asia Editor

"Our shortcomings and mistakes lie in bureaucratism, divorce from realities, lack of sensitivity to life, conservatism, slackness, lack of responsibility in economic and social management." That statement by party General Secretary Le Duan sums up the theme of the Fifth Congress of the Vietnamese Communist Party (VCP) held in Hanoi in late March.

The picture of Vietnam which emerges from the speeches before the party congress is a sober one. As I witnessed during my August 1981 trip there, when I held discussions with many senior leaders, Vietnam has acute economic difficulties, a product of decades of war and colonialism, which are compounded by problems of mismanagement and poor planning; Vietnam faces a Chinese enemy "in collusion" with the U.S., threatening large-scale aggression and carrying out "subversion" and "psychological warfare" within Vietnam; and the nation's aging leaders are struggling with problems of corruption, "decadence," and a slackening of "revolutionary will" among their party cadre.

At the congress, the Vietnamese spoke with candor. Some observers may find solace in the admission of these problems, finding confirmation of numerous reports of the hardships prevailing in socialist Vietnam. But such solace is illusory. Such harsh Vietnamese "self-criticism" reveals a deep-going determination, the hallmark of Vietnam's leadership, to confront their difficulties and make real changes in policy.

Party Secretary Le Duan, in the report of the Central Committee of the VCP, the conference's major policy speech, described what he called the "two strategic tasks" facing the party: "to build socialism successfully," principally, to transform the country's rural, small-scale production; and "to stand combat-ready, to defend the socialist Vietnamese fatherland effectively," foremost against Peking.

## The economic battleground

The economy was the major subject of discussion at the congress. The starting point of discussion was the manifest failure of the last Five-Year Plan, during which

China invaded Vietnam and the Vietnamese-backed overthrow of the murderous Pol Pot regime in Cambodia took place (with the resulting military and economic burdens on Vietnam). Le Duan's description of "acute problems" is worth quoting:

"The results of the implementation of the economic plans in the five years 1976-80 have not reduced the serious imbalances in our national economy. Production rises slowly. The national product is not in a position to meet the needs of social consumption; part of social consumption must be taken from loans and aid, and the economy is unable to accumulate reserves. There are shortages of food, clothing materials, and other essential consumer goods. Great tensions exist in the supply of energy and materials, in communications and transport. . . . There are still great disparities between financial revenues and expenditures, goods and money, exports and imports. Markets and prices are unstable. Large numbers of working people remain unemployed. The livelihood of working people, especially workers, public servants, and peasants in areas affected by natural disasters or enemy destruction, is fraught with difficulties."

The Vietnamese cite the continued burden of defense requirements, on top of the effects of prolonged war, and the damage to agricultural output from weather, including numerous natural disasters. Almost as important, they asserted, are errors in economic planning and management. The last plan set targets which were later shown to be unattainable and distorted economic priorities. As Le Duan described it: "We have shown subjectiveness and hastiness in setting a number of targets too large-scale and too rapid concerning capital construction and production development. . . . Hastiness is also apparent in our organizing excessively large cooperative farms in some regions."

The new policy line, which was already being discussed during this writer's earlier visit to Vietnam last year, attempts to respond to these problems. The priority of the new Five-Year Plan is firmly on 1) improving agriculture; 2) meeting essential needs for clothing,

housing, medical care, and education; and 3) boosting exports to deal with a tremendous trade deficit and payments imbalance (mostly with the Comecon nations). There has also been an effort to liberalize certain areas of the economy, as witness the campaign against "bureaucratism" and "conservatism" in management. Material incentives for peasants and increases in the state purchase price of their surplus rice have been introduced. Such incentives, along with good weather, are credited with producing a record harvest of 15 million tons of food grains in 1981, particularly a 600,000-ton increase in the north.

The liberalization policy is reflected in changes in the party leadership. The former chairman of the State Planning Commission, Le Thanh Nghi, who was Vietnam's leading economic planner, has been removed from the Political Bureau of the VCP. Vo Van Kiet, party secretary in Ho Chi Minh City and a Politburo member, is said by Vietnamese sources to have a major role in the new policy, reflecting the view that southern agriculture—which is less collectivized than in the north—should not undergo "excessive" collectivization. Politburo member Vo Chi Cong, said to be an advocate of liberalization of agriculture and a leading spokesman from the south, has been made a member of the Central Committee Secretariat, the 10-member body which oversees actual implementation of party decisions.

The continued differentiation of economic structure in the north and the south was reaffirmed as policy at the congress. The government will encourage the formation of agricultural cooperatives (not collectives) in the south, including marketing and credit cooperatives. Le Duan attacks "sluggishness, hesitation, and inaction" in pushing the cooperatives, while counseling party cadres to "avoid hastiness, oversimplification, and massive and formal undertakings." Existing private capital in the south will be maintained, except for foreign trade, where "the capitalist component is to be radically eliminated," a move aimed above all at ethnic Chinese merchants. "Thus," Le Duan said, "during a definite period of time, there are three economic components in the north—state-run, collective, and individual, and five in the south—state-run, collective, joint state-private, individual and private-capitalist."

### **Can Vietnam industrialize?**

The priority given to agriculture and basic consumer-goods production is not an anti-industrial policy. It is a product of necessity—without solving food problems, industrialization will be impossible. It is also a simple fact that there is no surplus available in the economy for capital investment; and the level of outside capital aid, including aid from the Soviet Union and other Comecon countries, severely restricts industrialization plans. The regime intends "to make preparations for a more vigorous development of heavy industry in

the next state" and to emphasize new efforts to build up the communications and transportation infrastructure so heavily damaged in the U.S. war against Vietnam. Energy also has priority, particularly the search for offshore oil near the Mekong Delta in the south.

There is also an emphasis on stepping up work on science and technology—"the scientific and technological revolution" is considered the "kingpin." It should be recalled that the Vietnamese fought for their independence, not as peasant Jacobins, but as nationalists with a proud and ancient city-building heritage and an admiration for the Western humanist tradition. "Nowadays" Le Duan said, "high scientific and technological standards, particularly a speedy application of scientific achievements, the creation of high technologies in production, constitute one of the factors determining the economic might of a country." Le Duan called for cooperation with other countries in this field, including countries "outside the socialist community."

Ultimately Vietnam will be unable to achieve rapid economic growth without inputs from abroad. This is understood in Hanoi, although Le Duan is quick to caution against "any tendency to wait for and rely upon external aid." The bulk of aid now comes from Comecon; some comes from multilateral agencies like the World Bank and U.S. agencies, and some from Western countries like France and Sweden. Le Duan wants "to widen in an appropriate way our economic relations with countries outside the socialist community."

### **The Chinese threat**

The party congress issued strong warnings to party cadre to increase their "vigilance" concerning Chinese activities and correct "laxness" in this area. The formulations followed an important article by Truong Chinh, the second-ranking member of the Politburo and President of the Council of State, which appeared in the party daily *Nhan Dan* on Feb. 17, 1982, the third anniversary of the Chinese 1979 war against Vietnam, and was given great emphasis for study.

The party congress also specified a campaign against "Maoism," defined by Truong Chinh in his article as "expansionism and Great Han hegemonism," a "feudalist ideology" which aims "to make China the center of the world, lording over the whole planet." "Today," Truong Chinh writes, "they [Peking] are unblushingly following the tracks of the 'sons of Heaven' in ancient China."

At the party congress, and in the Vietnamese media, Chinese anti-Vietnamese activities were explained in detail. The Vietnamese have emphasized not only Chinese preparations for another large-scale war against Vietnam, an ever-present threat, but also Chinese subversion and sabotage activities inside the country. This and other evidence suggests that the Peking regime has been at least partially successful on this front. Truong

Chinh described the Chinese as “now engaged in a type of sabotage war against Vietnam in many fields in the hope of causing our collapse without having to resort to a major war, according to the ancient Chinese military theory of ‘victory without battle.’”

Along with continued small-scale fighting along the border, “the enemy is trying to sap our economic strength.” The Vietnamese are not impressed by the so-called de-Maoization of China; they describe it as “post-Mao Maoism.” Truong Chinh’s assessment of the current situation in China is interestingly different from more positive statements now emanating from the Soviet Union about the internal processes in China. Chinh says the Chinese are using the United States and the West to carry out a “modernization” policy which aims “at making China a superpower by the end of the century to achieve global hegemony.”

This “modernization,” Chinh asserts, “is causing a gradual degeneration of the socialist factors in Chinese society, from the superstructure to the infrastructure.” “Capitalism” is being restored, he says, causing conflicts within China and “leading to infighting and purges among the authorities at different levels.” Chinh makes the provocative statement that “Nobody can dismiss the possibility of the new China becoming a new-style colony of the imperialist countries like the China of the recent past, which became a new-style colony dismembered by various imperialist forces.” Truong Chinh’s rallying cry: “We should make no mistake that the dangerous and immediate enemy of our people at present is the reactionary Maoist group in the ruling circles of China.”

### **Leadership shakeups**

The fifth VCP Congress was clearly intended to convey the determination of the party leadership to overcome past mistakes and to convince the party membership, and in turn the population, that the will to do so exists. The party’s rank and file has suffered from sagging morale, corruption, and other afflictions. The question of party building was addressed in a tough speech by Politburo member Le Duc Tho (formerly Vietnam’s chief negotiator in Paris) at the Congress:

“Diminishing quality and decreasing militant will in a segment of responsible cadres at various echelons and sectors from top to bottom, and in a number of party members, is creating a great adverse effect on our party. Many people, proceeding from errors in their activities and bureaucratic behavior, have changed their way of life and degenerated politically. These elements have not been completely screened out.”

Vietnamese sources point to the remains of the consumption-centered, semi-pornographic American presence in Ho Chi Minh City (formerly Saigon) as a lingering influence on party cadres. After 15 years of war in the jungle, soldiers and cadre alike are naturally

wary of austerity. There is still a vivid contrast between the austere life in Hanoi and the rest of the north, and Ho Chi Minh City, where rock music can still be heard in the cafés, and a thriving black market offering Western consumer goods operates openly.

Le Duc Tho was no doubt primarily referring to the situation in the south when he inveighed against the “decadence” appearing among certain party cadres. . . . they have engaged in profitable dealings and have indulged in exploitative and corrupt activities, in demanding bribes, in misappropriating public funds, in acting in complicity with dishonest merchants, in debaucheries and so forth.”

The VCP had already shaken up its membership lists before the party congress, and further efforts would clearly be made to clean out the “decadent” elements. But a determination to consolidate new leadership was evident at the highest levels of the party. The changes in the Politburo, where six members lost their positions, attracted much of the attention in the Western press, although predictions of a replacement for General Secretary and at the very top level proved false.

Though Western observers refused to accept the obvious, a very highly placed Vietnamese party leader told me after the party congress that the idea was to bring younger people into the leadership, because the party is led today by men in their 70s who were with Ho Chi Minh in the beginning of the independence fight. At the same time, the party leader said, it was necessary to maintain the continuity of party leadership. The six Politburo members removed included General Vo Nguyen Giap, probably the most famous Vietnamese leader next to Ho Chi Minh. It also included former Foreign Minister Nguyen Duy Trinh, who is known to be very ill, and Le Thanh Nghi, the economic planner. Vietnamese sources insist that these men are not only quite old, but in some cases, including that of the 72-year-old Giap, not in good health and no longer able to carry out the duties of Politburo members.

The Vietnamese account of the leadership changes is borne out by the fact that all retain their respective Central Committee membership and rank (Giap is sixth), and in some cases positions such as Giap’s Vice-Premiership and chairmanship of the State Committee on Science and Technology. Since the congress, Giap has been reported in the Vietnamese media to be active in these areas. There is no indication that these men have been disgraced in any way. The top five Central Committee members retain their Politburo membership—party secretary general Le Duan (age 75), state council chairman Truong Chinh (75), Premier Pham Van Dong (76), Minister of the Interior Pham Hung (70), and Le Duc Tho (72).

Speculation in the West about splits and factional battles in the Vietnamese leadership is not new. Throughout the Vietnam war American analysts en-

gaged in similar speculation, almost all of which turned out to be wrong. As the senior Vietnamese leader laughingly put it to me, "They don't understand the collegiality of our leadership," a characteristic of the VCP established by the style of Ho Chi Minh and much in contrast to that of other communist parties.

At the Central Committee level, however, almost a third of the members are new, and 39 Central Committee members were removed in an effort to restore confidence in the party's leadership and to bring new blood in. At the Politburo level three new members were added; the size of the Politburo was reduced from 17 to 13. Le Duc Anh, an Army general said to command the Vietnamese forces in Cambodia, was added. There are also two new alternate Politburo members: Nguyen Co Thach, Vietnam's sophisticated and relatively young Foreign Minister, and Army gen-

eral Dong Si Nguyen.

My Vietnamese sources report a generally positive response in the population to the Congress's results. While some were upset at changes in the leadership, particularly regarding the popular General Giap, people were hopeful, those sources say, that progress will result, particularly on the economic front.

After 35 years of almost uninterrupted war and terrible privation, there is no denying the sense of weariness a visitor encounters in Vietnam. The Chinese and people in Washington believe they can "bleed Vietnam dry" with a continued campaign of a war of attrition and semi-blockade. Such strategists may selectively read the proceedings of the fifth VCP congress as evidence that this strategy is succeeding. A view taking account of the toughness of the Vietnamese people and their leadership will come to the opposite conclusion.

## U.S. veterans make some progress in Hanoi talks

The second visit of a group of American veterans of the Vietnam war to Hanoi in early June made some headway in healing the wounds still left from the war. Since their first visit in December 1981, the veterans, representing the Vietnam Veterans of America (VVA), a nationwide veterans' group, have established a process of negotiations, parallel to U.S. government efforts, on the issues of Americans missing in action (MIAs), the effects of the use of the defoliant Agent Orange, and the status of Amerasian children fathered by Americans during the war.

Greg Kane, a Marine veteran and a member of the delegation, told *EIR* that "what was most important is the establishment of a friendly, cooperative dialogue [with the Vietnamese government] and the continuance of that." During their week-long visit to Vietnam, the veterans met with senior government officials including Foreign Minister Nguyen Co Thach and with Ngo Minh, the chairman of the Committee to Investigate Americans Missing in Action.

Kane described the results of a "lengthy period of discussion" on the MIA issue. Information was provided on recently discovered remains of American soldiers, including one full set of identified remains and material evidence (identity cards) of three others, and remains of four others which have not been identified. Most significant, Kane emphasized, was the agreement of the Vietnamese to review one by one the

names on the list of American MIAs in what is called Category I. This is a new concession by the Vietnamese which Kane felt could lead toward the goal of a reasonable "final accounting" of MIAs. The VVA is cooperating with the administration on this issue, and Kane reported that American officials in Bangkok dealing with this question were pleased with what the veterans had accomplished.

The Agent Orange issue is of great concern to American veterans who claim serious medical effects were inflicted by the use of the toxic defoliant during the war. Vietnamese scientists and doctors report effects including a high incidence of birth defects in areas where the defoliant was heavily used. So far veterans have not been able to receive veterans' benefits for Agent Orange-related problems.

The talks in Hanoi aim toward a study on the Agent Orange effects, combining efforts of the Vietnam Science Council and scientists in the United States and Europe who have done work on this question. On the issue of children of Amerasian parentage, the veterans discussed the streamlining of procedures on both ends for providing exit visas for children, particularly those who want to join fathers who are willing to accept them. The veterans also discussed possibilities for cultural exchanges with Vietnam; one proposal is a concert tour of the United States by the Vietnamese pianist who recently won the international Chopin competition in Warsaw. The Vietnamese are open to this proposal, but the State Department has officially refused a visa to the pianist.

The VVA will send another delegation within some months to continue talks with the Vietnamese on these issues.