

Tran Dac Loi and Philip Degenhardt (Eds.)

**BUILDING SOCIALISM IN VIET NAM:
TEN CONTRIBUTIONS TO
AN ONGOING DEBATE**

Building Socialism in Viet Nam: Ten Contributions to an ongoing Debate
(Tran Dac Loi and Philip Degenhardt - Eds.)

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INTRODUCTION

As socialists living and working in the Socialist Republic of Viet Nam, we are often asked, where can socialism be seen in Viet Nam? How far is Viet Nam advanced on the path to socialism? And how is the situation here different to that in the capitalist West?

It is striking that those who ask these kinds of questions tend to have no insight into the Vietnamese debate. Even accessing the discourse can be difficult due to the language barrier. This volume is intended to provide access to the substance of political debate in Viet Nam and to help clarify the above-mentioned questions. This volume aims to contribute to addressing this issue. Through it, we hope to stimulate increased exchange with international scholars, interested people, and friends.

In that spirit, we have chosen ten articles that represent the domestic debate over Vietnamese socialism in recent years. In doing so, we allow leading Vietnamese politicians and scholars speak for themselves and in their own words. These articles all come from important significant political newspapers, magazines, and online journals.

The articles cover the most important aspects of building socialism in Viet Nam, from socio-economic and political issues to cultural questions. The Doi Moi (renewal or renovation) reform of 1986 and socialist-oriented market economics are seen as the main features of the transition to socialism in Viet Nam. Therefore, most of the articles focus on describing these processes.

The first article comes from current General Secretary of the Communist Party of Viet Nam (CPV), Nguyen Phu Trong. Published in 2021, it is a comprehensive description of the current and most important theoretical and practical issues in socialist thought and the Vietnamese path to socialism in the 21st century. This article is considered to be the most important theoretical work of the CPV today, setting out as it does the future direction of building socialism in Viet Nam. It is now being studied and put into practice by the CPV and authorities at all levels.

The other nine authors are all high-level theoreticians with close links to the ruling party. Therefore, their works also reflect the official position of Viet Nam.

In the second article in our collection, Tran Dac Loi explains the context and origin of the Doi Moi and outlines the main directions and achievements of Vietnam's renewal process since 1986.

In the third article, Prof. Dr. Vu Van Phuc discusses the perceptions and realities of developing a socialist-oriented market economy, describes the differences between this and capitalism, and makes recommendations for building a socialist economic model.

In the fourth article, Dr. Hoang Thi Kim Oanh and Dr. Phung Danh Cuong report on the specifics of the socialist-oriented market economy in Viet Nam and outline what distinguishes it from its capitalist counterpart.

In the fifth article, Prof. Dr. Nguyen Viet Thao describes Vietnam's socialist orientation based on documents from the 13th Party Congress held in spring 2021, and reflects on the path taken so far.

In the sixth article, Colonel Prof. Dr. Bui Ngoc Quynh derives the role of the state economy from Marxist theory and relates it to the socialist-oriented market economy.

In the seventh article, Prof. Dr. Bui Van Huyen and Prof. Dr. Nguyen Ngoc Toan describe the challenges of building a social safety net for a people-oriented economy in Viet Nam and outline the different stages of this process.

In the eighth article, Prof. Dr. Vu Van Phuc puts the necessary theoretical awareness and practical experience gained to build socialism in Viet Nam into its historical context.

In the ninth and penultimate article, Prof. Dr. Vu Trong Lam describes the different forms and tasks of political parties in their respective specific situations. He further explains the leading role of the CPV in a historical context.

In the tenth and final article of this book, Prof. Dr. Ta Ngoc Tan discusses the growing importance of culture in building socialism and outlines proposals for its solidification and intensification.

This book is an invitation. It aims to engage international academics and politicians in dialogue with Viet Nam, its scholars and leaders. Global experiences with building socialism in practice, smaller concrete socialist projects, as well as different historical perspectives, should be stimulating for us all. Our goal here is to promote a common debate for mutual understanding and a better world. We present these texts in an impartial and unbiased manner – without comment – in order to give the authors an unfiltered voice on the international stage.

We look forward to a lively discussion and debate.

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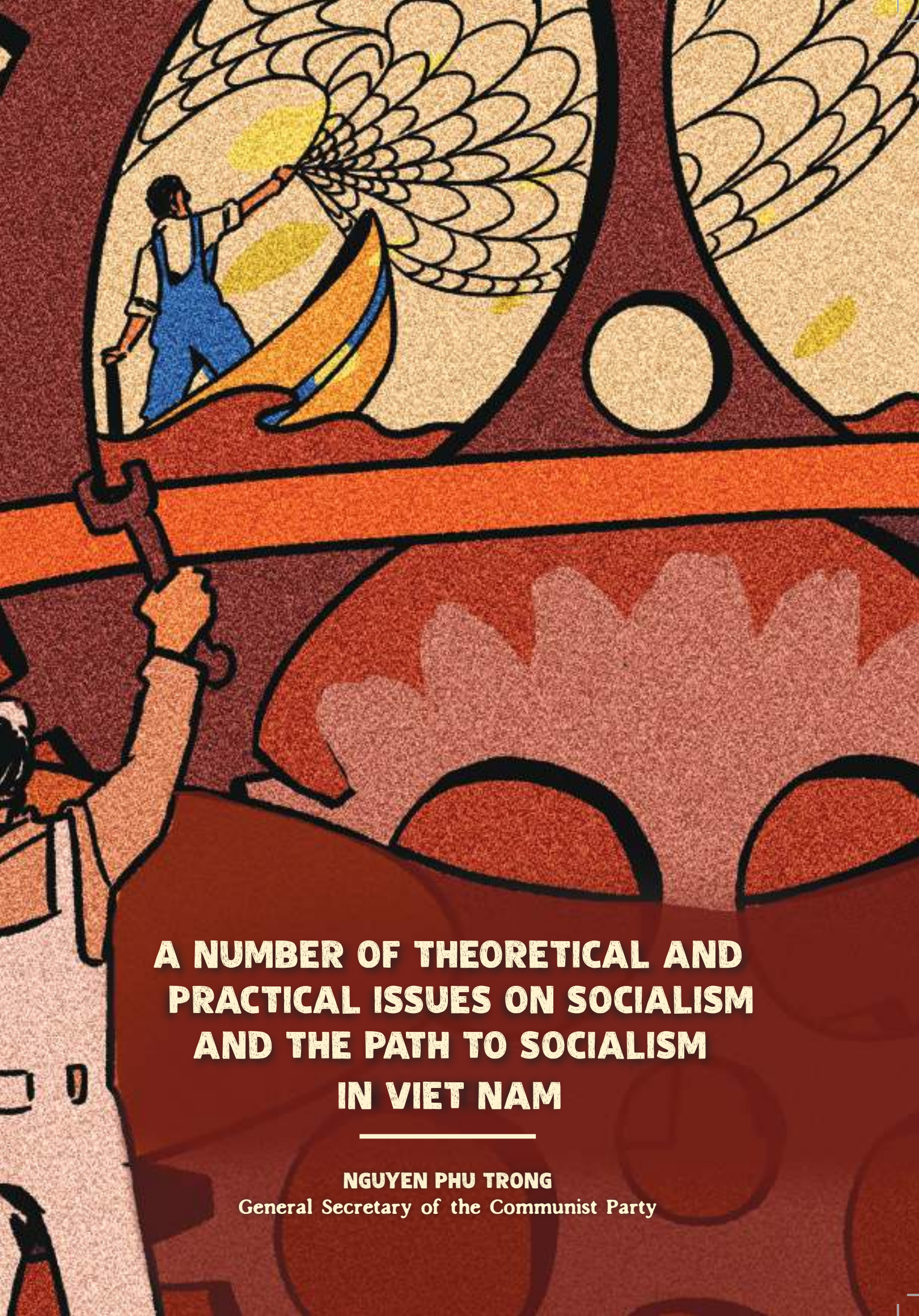
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**A NUMBER OF THEORETICAL AND
PRACTICAL ISSUES ON SOCIALISM
AND THE PATH TO SOCIALISM
IN VIET NAM**

NGUYEN PHU TRONG
General Secretary of the Communist Party

On the occasion of the 131st birthday of President Ho Chi Minh (May 19) and the elections of deputies to the 15th.. National Assembly and all-level People's Councils 2021-2026 (May 23), Professor, Dr. Nguyen Phu Trong, General Secretary of the Central Committee of the Communist Party of Viet Nam (CPV), has written an article titled "A number of theoretical and practical issues on socialism and the path towards socialism in Viet Nam. "Below is the full text article:

Socialism and the path to socialism in Viet Nam is a truly fundamental theoretical and practical topic of great importance. It covers a broad array of diverse and complex issues under various approaches, and requires both painstaking and serious investigation, and a deep and scientific stocktaking of practice. Within the scope of this writing, I would like to touch upon some aspects from Viet Nam's practical perspective. I would only focus on answering the following questions: What is socialism? Why did Viet Nam choose the socialism path? How to gradually build socialism in Viet Nam? How significant have the Doi Moi (Renewal) and the building of socialism been in Viet Nam over the past years? And what are the issues facing this process?

As we are well aware that socialism is usually understood in three aspects: socialism as a doctrine, socialism as a movement, and socialism as a polity. Each aspect has different manifestations, depending on the world outlook and development level in a specific historical period. The socialism as referred to in this writing is a scientific socialism, based on Marxism-Leninism in the world today. How,

then, shall we define socialism and chart the course towards socialism, in a manner suitable to the particular condition and characteristics in Viet Nam?

Previously, while the Soviet Union and its constellation of socialist countries existed in the world, the question of advancing towards socialism in Viet Nam seemed beyond doubt and implicitly validated. However, after the collapse of the socialist model in the Soviet Union and many other Eastern European countries and the decline of the world revolution, the advancement towards socialism was once again put into question and became the topic for every discussion, even drawing heated debate. Anticommunism and political opportunists rejoiced, and seized that opportunity to spread misinformation and subvert the movement. Within the revolutionary rank, there are also those who wallowed in pessimism and faltered. Some began to doubt the correctness and science of socialism, and blamed the dissolution of the Soviet Union on the errors of Marxism-Leninism and the choice of socialism as the way forward. From this premise, they believe we have chosen the wrong way and must march on another path. Some echoed the hostile arguments, disparaged and criticized socialism, and indulged in one-sided praise of capitalism. Some even claimed "repentance" for having had faith in Marxism - Leninism and socialism. But is this the truth? Is it true that capitalism to day, including those long-standing

capitalist countries, are still growing well? Has Viet Nam chosen the wrong way?

We concur that capitalism has never been more global as it is today, and has achieved immense accomplishments, especially in liberating and developing the productive capacity and advancing science and technology. Many developed capitalist countries, building on their advanced economic foundation and also thanks to the struggle of the working class and working people, have made adjustments and set up considerable social welfare schemes that are more progressive than before. Since the mid-1970s, and particularly after the dissolution of the Soviet Union, international capitalism spared no effort to adjust itself and promoted neo-liberalism at the global scale in order to adapt to new conditions. For this reason, it is still able to grow further. Yet capitalism still cannot address its innate and fundamental contradictions. Crises continue to break out. Most notably, in 2008 and 2009, we witnessed a financial crisis and economic recession starting in the United States. It then rapidly spread to other centers of capitalism and affected nearly every country in the world. Capitalist states and governments in the West injected huge amounts of money into their system to save transnational corporations, industrial, financial and banking complexes, and security markets, but they only gained limited success. And today we witness a multi-faceted health, social, political and economic crisis unfolding under the impacts of the COVI-19 pandemic and the Fourth Industrial Revolution. An economy

recession has unmasked social injustice within capitalist societies. The living standard of the majority of working people is falling dramatically while unemployment rises. The rich-poor gap grows larger, exacerbating antagonism and conflict among ethnicities. Instances of "bad development" and "anti-development" paradoxes have spilled over from the economic and financial domain into social life, igniting social conflicts. In many places, economic incidents became political ones, where waves of demonstrations and strikes would shake the entire regime. Reality has shown us that the "free market" of capitalism itself cannot help solve these problems, and in many cases even causes serious harm to poor countries and deepens the conflict between global labor and global capital. This reality also rips apart economic theories or development models that have long been considered as "in vogue". They were praised by bourgeois politicians and viewed as "optimal" and "sensible" by bourgeois experts. The economic and financial crises are accompanied by the energy and food crises, the exhaustion of natural resources and the degradation of the environment and ecosystem. These are posing monumental challenges to the existence and development of mankind. They are the consequences of a process of economic and social development that crowned profit as its supreme end, that esteemed the possession of wealth and consumption of material as the yardstick of civilization, and that upholds individual interest as the pillar of society. Such are the core characteristics of the capitalist mode of


production and consumption. The ongoing crises once again prove the economic, social and ecological unsustainability of capitalism. According to many scientists, the present crises are impossible to be fully resolved within the framework of a capitalist regime.

Recent social protest movements flaring up in many developed capitalist countries have further exposed the truth about the nature of capitalist polities. In fact, democratic institutions in the mold of "freedom and democracy" that the West spares no effort to promote and impose upon the world at large not at all guarantee that power shall truly be of the people, by the people and for the people - what democracy means at its core. This system of power still belongs mainly to the wealthy few and serves the interest of large capitalist cartels. A tiny minority, even just about 1% of the population, possesses the vast majority of wealth and means of production, controls three quarter of financial and knowledge resources and the mainstream mass media, and accordingly dominates the entire society. This is the root cause of the "99% versus 1%" movement in the United States in early 2011, which has since spread like wildfire into other capitalist countries. The claim of "equal rights" detached from "equal opportunities" to exercise these rights led to democracy in name only - emptiness and without substance. In political life, once the power of money dominates, the power of the people shall be overpowered. This is why in developed capitalist countries, "free" and "democratic" elections, as they claim, may change governments, but may not change

the ruling power. Behind the multi-party system in fact remains the dictatorship of capitalist cartels.

We need a society in which development is truly for the people, and not the exploitation and dehumanization for the sake of profit. We need economic development accompanied by social progress and equality, not an increase in the gap between the rich and the poor or greater social inequity. We need a society of compassion, solidarity and mutual assistance towards progressive and humanistic values, not unfair competition where "the weak are meat, and the strong do eat" for the selfish interest of a few individuals and cliques. We need sustainable development in harmony with nature to secure a clean living environment for present and future generations, instead of unlimited exploitation and possession of resources, unrestrained consumption and destruction of the environment. And we need a political system where power truly belongs to the people, is enforced by the people and serve the people, not merely in the interest of the wealthy few. Are these noble ideals not the true values of socialism and also the goal and the path President Ho Chi Minh, our Party and people have chosen and followed with determination and perseverance?

As we all know, the Vietnamese people have undergone a long, arduous and sacrifice-filled revolutionary struggle against colonialist and imperialist domination and invasion in order to defend the sacred national independence and sovereignty and for the freedom and happiness of our people, in



the spirit of “Nothing is more precious than independence and freedom”.

National independence associated with socialism is the fundamental guideline of Vietnam’s revolution and at the same time the quintessence in the theoretical legacy of President Ho Chi Minh. Through his wealth of practical experience, combined with the revolutionary and scientific theories of Marxism-Leninism, Ho Chi Minh came to a profound conclusion that only socialism and communism may fully address the question of our national independence and bring about freedom, wellbeing and happiness to everyone and every nation.

Since its inception and throughout its revolutionary struggle, the Communist Party of Viet Nam has always asserted that socialism is the goal and ideal of the Communist Party and people of Viet Nam, and that advancing towards socialism is an objective demand of and the inevitable course of the Vietnamese revolution. In 1930, in its Political Platform, the Communist Party of Viet Nam stated its line of action: to carry out a people’s national democratic revolution under the leadership of the working class and advance towards socialism, bypassing the stage of capitalism. In the late 20th century, while a large part of the socialist realism collapsed, the bloc of socialist states ceased to exist and the socialist movement entered a period of crisis, decline and hardship, the Communist Party of Viet Nam continued to hold that “Our Party and people are determined to build Viet Nam on the path towards socialism on the basis of

Marxism-Leninism and Ho Chi Minh Thoughts. “At the 11th National Congress of the Communist Party (January 2011), in the Platform for National construction in the period of transition to socialism (amended and further developed in 2011), once again we affirmed that “Advancing to socialism is the aspiration of our people and the correct choice of the Communist Party of Viet Nam and President Ho Chi Minh, and is in line with history’s development trajectory.”

However, “What is socialism, and how shall we advance to socialism?” That is the question we are always pondering, deliberating, investigating and weighing, in order to gradually improve our guideline and viewpoint, and organize for their implementation, so as to both observe the general law and satisfy the particular conditions in Viet Nam.

During the years of Doi Moi, based on the review of praxis and study of theory, the Communist Party of Viet Nam has been gradually reaching a more complete and profound understanding of socialism and the transition into socialism. We have in stages addressed simplistic ideas we held previously, such as homogenizing the end goal of socialism with the task currently at hand, one-sidedly stressing production relations and equal distribution without fully realizing the need to develop the productive force in the transition period, not recognizing the existence of other economic sectors, putting the market economy in the same basket as capitalism, and viewing the rule-


of-law state as the same as a bourgeois state, just to name a few.

As of today, while there remain areas for further study, we have established an overarching understanding: The socialist society that the Vietnamese people are making all efforts to build is a society of affluent people, a strong, democratic, equal and civilized country with the people as its true master. It has an economy on the basis of a modern productive force and suitable and progressive production relations. It enjoys an advanced culture imbued with national identity. Its people are entitled to wellbeing, freedom and happiness and are blessed with opportunities for comprehensive development. Ethnic groups in the Vietnamese community are equal, united, respectful and supportive of each other to grow together. It has a rule-of-law socialist state of the people, by the people and for the people under the leadership of the Communist Party. And it maintains friendship and cooperation with all countries in the world.

To achieve this goal, we must step up industrialization and modernization in conjunction with the development of a knowledge-based economy. We must also develop a socialist-oriented market economy, build an advanced culture imbued with national identity, boost human resource development, improve the people's living standards, and exercise social progress and equality. We must safeguard national defense and security, public order and security. We must implement the foreign

policy of independence, self-reliance, multilateralization and diversification for peace, friendship, cooperation and development, and actively engage in international integration. We must build a socialist democracy, harness the will and power of all nation unity in combination with the power of our time. We must build the socialist rule-of-law state of the people, by the people and for the people. We must build an untarnished, strong Party and polity in every respect.

The further our Party delves into practical guidance, the more we realize that the transition to socialism is a long-term immensely challenging and complex task, for it must bring about profound, qualitative changes across all fields of social life. Viet Nam embarked on its journey to socialism from its starting point as an underdeveloped agricultural country, bypassing the stage capitalism and with a very limited productive force. The country was further weakened by decades of wars resulting in severe devastation, and by the constant subversive attempts of hostile forces. These factors have hinder Vietnam's path to socialism. As such, it inevitably requires a protracted transition that involves various stages and forms of socio-economic organization, with a struggle between the old and the new. To say Viet Nam "bypasses the stage of capitalism," means the country bypasses a regime of oppression, inequality and capitalist exploitation and bypasses harmful practices and political institutions and arrangements unsuitable in a socialist system. It does not mean the rejection of



all accomplishments and civilized values that mankind has achieved during the development of capitalism. Naturally, these achievements must be selectively absorbed via the lens of science and development.

The concept of developing a socialist-oriented market economy is a particularly fundamental and creative theoretical breakthrough of our Party. It is an important theoretical achievement gleaned through 35 years of implementing the Doi Moi stemming from Vietnam's praxis and selective absorption of experiences around the world. Our understanding is that, a socialist-oriented market economy is a modern market economy well integrated with the world. It is an economy that operates fully and cohesive in line with the laws of a market economy. It is regulated by a rule-of-law socialist state under the leadership of the Communist Party of Viet Nam. It upholds a socialist orientation towards the goals of an affluent people, prosperous nation, democratic, equitable and advanced society. It is a new form of market economy in the history of this economic model. It is a mode of economic organization that abides by the laws of the market economy but is also built on and guided by the principles and nature of socialism. This is reflected in all three aspects, namely ownership, organization and governance, and distribution. This is not a capitalist market economy and has yet to become a full-fledged socialist market economy (since our country is still undergoing the transition period).

A socialist-oriented market economy encompasses multiple forms of ownership and multiple economic sectors. Economic sectors operating in compliance with the law are important components of the economy. They are equal under the law in the interest of long-term development, cooperation and healthy competition. In this system, the state economy plays a key role; the collective economy is constantly consolidated and developed; the private sector is an important engine of the economy; the FDI sector is encouraged to develop consistently with the socio-economic development strategies and plans. Distribution relations must ensure fairness and create momentum for growth. Distribution is to be conducted primarily based on labor outcomes, economic efficiency, and capital and resource contributions. It should also be implemented via the system of social security and welfare. The state regulates the economy via the law, strategies, plans, policies and material resources so as to provide orientation to, regulate and stimulate socio-economic development.

A fundamental characteristic and important feature of the socialist orientation in the Vietnam's market economy is the coupling of the economy and society, the coordination of economic and social policies. It also ensures that economic growth would be accompanied by social progress and equality in every stage, every policy, and throughout the development process. This means that we shall not wait until the economy has reached a high level of development to begin exercising social


progress and equality. We also shall certainly not “sacrifice” social progress and equality in pursuit of mere economic growth. On the contrary, every economic policy should target the goal of social development, and every social policy should seek to promote economic growth. Encouraging people to become wealthy legally should go hand in hand with promoting sustainable eradication of hunger and poverty reduction, and taking care of the disadvantaged and those who have rendered great service to the nation. This is a matter of principle to ensure a healthy, sustainable and socialist-oriented development.

We consider culture as a spiritual foundation of the society, an internal strength, an engine for national development and defense. We regard the holistic development of culture in harmony with economic growth, social progress and equality as a fundamental guideline underlying the construction of socialism in Viet Nam. The culture that we are building is one of progress, rich in national identity. It is a culture of unity in diversity, on the basis of progressive and humanistic values.

Marxism Leninism and Ho Chi Minh's Thought play a primary role in the spiritual life of the society. We seek to build upon and advance the wholesome traditional values of all ethnicities within our country, and learn from the cultural achievements and quintessence of humanity at large. We strive to build an advanced and healthy society for the true interests and dignity of the people that fosters an increasingly

higher level of knowledge, morality, physical fitness, lifestyle and aesthetics. We place the people at the heart of our development strategies. Cultural and human development are both the target and the momentum of the Doi Moi. Cultivation of education - training and science technology constitute our top national policy. Environmental protection is an existential issue and a criterion for sustainable development. The building of happy and progressive families produces a concrete foundation for the society, and the upholding of gender equality is the norm for progress and civilization.

A socialist society is one that strives toward progressive and humanistic values, based on the harmony between the common interests of the entire society and legitimate interests of individuals. This is qualitatively different from other societies characterized by competition to acquire exclusive interest between individuals and groups. Therefore, it is able to build social consensus rather than opposition and antagonism. In a socialist political system, the relationship between the Party, State and people is a relationship between entities unified in their goals and interests. Every Party guideline, every government policy, law and action aims to serve the interest and happiness of the people. The political model and its overall mode of operation involve the leadership of the Party, the management by the State, and the mastery by the people. Democracy is the nature of the socialist regime. It is both the goal and engine for the construction of socialism. Building a socialist democracy that ensures the real power



belongs to the people is an ultimate and long-term mandate of Vietnam's revolution. We aim to unceasingly promote democracy and build a law-governed socialist state that is truly of the people, for the people and by the people, on the basis of the alliance between workers, farmers and intellectuals under the leadership of the Communist Party of Viet Nam. The State represents the people's right to mastery, and organizes the implementation of the Party's guidelines. There are mechanisms in place to allow the people to exercise their right to direct mastery and democratic representative in all areas of society, and take part in the governance of society. We are aware that a law-governed socialist state, by nature, is different from a rule-of-law capitalist state. Legislative power under a capitalist regime is essentially an instrument to protect and serve the interests of the bourgeois class. By contrast, the rule of law under socialism is a tool to reflect and exercise the people's right to mastery, to ensure and protect the interests of the majority of the people. Through the enforcement of the law, the State would secure conditions for the people to truly be the subject of political power, and exercise sole state power to address all actions that violate the interests of the Fatherland and the people. We, at the same time, consider the great national unity to be a source of strength and a decisive factor for the lasting victory of Vietnam's revolution. Equality and unity among our ethnic groups and religions are constantly promoted.

Being deeply aware of the Communist

Party's leadership is the decisive factor that determines the success of the Doi Moi and ensures our country's development in line with the socialist path, we pay special attention to Party building and rectification. This task is critical to the survival of the Party and the socialist system. The Communist Party of Viet Nam is the vanguard of the Vietnamese working class. The founding, existence and development of the Party aim to serve the interest of the working class, the working people, and the entire nation. As the Party takes the helm and leads the nation, it is recognized by the whole people as their vanguard, and is accordingly the vanguard of both the working class and the mass of working people and the entire Vietnamese nation. This is not meant to downplay the class nature of the Party, but rather to reflect a deeper and more complete understanding of this class nature, for the interest of the working class is aligned with that of the mass of working people and the entire nation. Our Party perspective with Marxism - Leninism and Ho Chi Minh's thoughts as the foundation and lodestar for the revolution, and holds democratic centralism as the fundamental organizing principle. The Party asserts its leadership through its platforms, strategies, and major guidelines and policies. In practice, these are translated into information dissemination, persuasion, mobilization, organization, inspection, oversight. The Party also leads with Party members' role models and holds the unified leadership of personnel work. As it understands that the risks to the ruling party are corruption, bureaucracy and degradation, particularly in a market economy, the Communist Party of Vietnam

requires regular self-improvement and self rectification, and deems it necessary to constantly combat opportunism, individualism, corruption, bureaucracy, extravagance and moral degradation within the Party and the entire political system.


The Doi Moi including the development of the socialist-oriented market economy, has truly brought about enormous and positive changes to our country over the past 35 years.

Prior to the Doi Moi (in 1986), Vietnam used to be a poor and war-torn country, with devastating consequences on human lives, infrastructure, and the environment. For instance, to date, millions of people have fallen victim to grave diseases, and hundreds of thousands of children were born with birth defects and disabilities due to "Agent Orange"/dioxin used by the US Army during wartime. According to experts, it would take another 100 years or more for Vietnam to fully remove the remaining post-war unexploded ordnances (UXOs). After the war, the US and the West imposed economic sanctions on Vietnam for nearly 20 years. That period also saw complex developments in the region and the world, to our detriment. There was a severe shortage of food and essential goods, and our people lived in great hardships, with three quarter of the population living under the poverty line.

Thanks to the Doi Moi, our economy has begun to thrive, enjoying a relatively high growth rate over the course of 35 years at around 7% per year. Our GDP is continually

expanding, reaching \$342.7 billion in 2020 and becomes the 4th largest economy in ASEAN. Per-capita income has increased seventeen-fold to \$3,512. Vietnam successfully graduated from low-income status in 2008. From a country faced with constant food shortages, at present, Vietnam not only is able to ensure food security, but also has become a leading exporter of rice and various other agricultural products in the world. Our industries are flourishing, the shares of industry and services in our GDP are constantly increasing, and today account for 85% of total GDP. Our foreign trade turnover is growing dramatically, exceeding \$540 billion in 2020, in which exports reached over \$280 billion. Our foreign exchange reserves jumped to \$100 billion in 2020. Foreign direct investment is also rapidly expanding, with a total registered capital of nearly \$395 billion by late 2020. With regard to our economic structure in terms of ownership, the state sector accounts for 27% of Vietnam's total GDP, the collective economy for 4%, the household economy for 30%, the domestic private sector for 10%, and the FDI sector for 20%.

Vietnam today has a population of over 97 million people across 54 brotherly ethnic groups, 60% of whom residing in rural areas. Economic development has delivered the country from the socio-economic crisis of the 1980s and remarkably improved the people's living standards. The percentage of poor households falls by 1.5% every year on average, from 58% in 1993 to 5.8% in 2016 by the Government poverty standards, and to less than 3% in 2020 according to



the multidimensional poverty index (whose standards are higher than previously). Today, more than 60% of communes have met the standards of “new-style” rural areas. Most of them have road accessible by car leading into their neighborhood center, national power line coverage, primary and secondary schools, clinics, and telephone services. While we are yet able to provide free education at all levels for all, Vietnam have been focusing its efforts on eradicating illiteracy. We realized universal primary education in 2000 and universal secondary education in 2010. The number of university and college students has increased by 17 times over the last 35 years. Currently, 95% of Vietnamese adults are literate. While we have yet to achieve universal health coverage, we are focusing on enhancing preventive healthcare, epidemic prevention and control, and providing support for disadvantaged persons. Many once-prevalent diseases have been successfully curbed. The poor, children under 6, and the elderly are provided with free health insurance coverage. Children malnutrition and infant mortality have been slashed about three-fold. Average life expectancy has gone up from 62 years in 1990 to 73.7 years in 2020. Thanks to economic progress, we have also been able to take better care of people with significant contributions to the revolution and Vietnamese Heroic Mothers, and tend the graves of martyrs who sacrificed themselves for the Fatherland. The cultural life has also been significantly enriched with a diverse and growing range of cultural activities. 70% of the population now have internet access and Vietnam is among the

world’s fastest-developing IT countries. The United Nations has recognized Vietnam as one of the leading countries in reaching the Millennium Development Goals. In 2019, Vietnam’s Human Development Index (HDI) value reached 0.704, putting the country in the high human development category. This is a commendable achievement, especially compared to countries at a similar level of development.

Thus, we can say that the implementation of the Doi Moi has delivered clear, profound and positive transformations in Vietnam. The economy is booming and the productive force is strengthened. Poverty is falling rapidly and constantly. The people’s living standards are improving and many social issues have been addressed. Political and social stability, defense, and security are well-safeguarded. We enjoy an increasingly broader foreign relations and more extensive international integration. Our national standing and power are growing and the people’s trust in the Party’s leadership is bolstered. In its review of 20 years of the Doi Moi the 10th National Party Congress (2006) noted that the Doi Moi process has garnered “immense historic achievements.” Indeed, in many respects, the Vietnamese people nowadays enjoy higher living standards than ever before. It is one of the reasons why the Doi Moi initiated and led by the Communist Party of Vietnam receives such support, and is actively implemented by the broad mass of Vietnamese citizenry. The successes of the Doi Moi have proved that not only is socialist-oriented development more economically positive, but also capable of


better addressing social problems, than capitalist countries at the same level of economic development. The extraordinary results and accomplishments of Vietnam amidst the COVID-19 pandemic and global recession since early 2020 have been recognized and commended internationally, thus illustrating the superiority of the socialist system. Recently, the 13th National Party Congress once again asserted and emphasized that "After 35 years of the Doi Moi, 30 years of implementing the Platform for national development during the transition to socialism, the theories on the Doi Moi, socialism, and the path towards socialism in Vietnam are being completed and gradually translated into reality. We have achieved tremendous and historic progress, and are developing more vigorously and comprehensively compared to the pre-Doi Moi era. With all due modesty, we can say that "Never before has our country's fortune, potential, international standing and prestige been as high as it is today." Such progress is the crystallization of the creativity of the entire Party, people and army, and the product of our enduring and constant endeavor over the many past terms of office. It is testimony to the correctness of our path to socialism. It proves that this process is well in line with objective laws, the situation in Vietnam, and the development trajectory of our times. It demonstrates that the Doi Moi guideline set by the Party is correct and innovative. It proves that the leadership of the Party is the foremost element that decides all victories of the revolution in Vietnam. The political platform of the Party continues to be the ideological banner that

strengthens our people's resolve and leads them along the path of comprehensive and holistic Doi Moi. It serves as the foundation for our Party to improve its guideline for the building and defense of the Fatherland, the Socialist State of Vietnam, in the new era." (Document of the 13rd National Party Congress, volume I, National Political Publishing House, Hanoi, 2021, page 25-26).

Apart from the dominant streak of achievements and positive aspects, there remain considerable drawbacks and limitations, in addition to emerging challenges that we must face in our national development.

Economically, the quality of growth and competitiveness remain low and not very sustainable. Infrastructure lacks coherence, the effectiveness and capacity of many businesses, including state-owned enterprises, are limited. The environment in many areas suffers from pollution. The administration and regulation of the market still exhibit many shortcomings. Meanwhile, competition is growing increasingly fiercer against the backdrop of globalization and international integration.

The income gap is widening while the quality of education, healthcare and other public services still leaves much to desire. Certain aspects of culture and social morality show signs of decline, and crime and social vice continue to see complex developments. Most alarmingly, corruption, extravagance, degradation on political thoughts, morality and



lifestyle can be observed in a portion of cadres and Party members. At the same time, hostile forces are trying all means to intervene, subvert, cause instability and carry out “peaceful evolution” in order to undermine socialism in Vietnam.

Our Party recognizes that Vietnam is in a transitional period towards socialism. During this transition, socialist elements are taking shape, intertwined and competing against non-socialist elements, including capitalist elements in a number of areas. This overlap and competition become even more complex and intense against the backdrops of the market economy, openness, and international integration. Apart from achievements and positive developments, there will always be negative aspects and challenges that demand rational consideration and prompt and effective resolution. This is an arduous and grueling struggle that requires a new vision, new resolve, and new drive for innovation. Advancing towards socialism is a period of tirelessly bolstering, augmenting and harnessing socialist elements so that they would become more dominant and superior, and ultimately triumph. Success or failure depends, first and foremost, on the correctness of the Party guideline and its political fortitude, leadership, and combativeness.

At present, we are accelerating the transformation of growth model and economic restructuring with greater focus on quality and sustainability. In this connection, we have identified the

following breakthroughs: the synchronous improvement of development institutions, with priority given to completing the socialist-oriented market economy; the development of human resources, particularly highly skilled workers; and the development of synchronized and modern economic and social infrastructure (Documents of the 13th National Party Congress, volume 2, pp. 337 - 338). With regards to social development, we continue to promote sustainable poverty reduction, improve the quality of healthcare, education and other public services, and further enhance people’s cultural life. The entire Party, people and army are making every effort to study and emulate President Ho Chi Minh’s thoughts, virtue and manner with the determination to stem and reverse the degeneration in political ideology, morality, and lifestyles among a portion of cadres and Party members, primarily the leadership and managerial cadres at all levels. We shall strive to better implement the principles of Party organization and building, in order to ensure the Party organization and the state apparatus will maintain the Party’s revolutionary nature and improve its leadership capacity and combativeness.

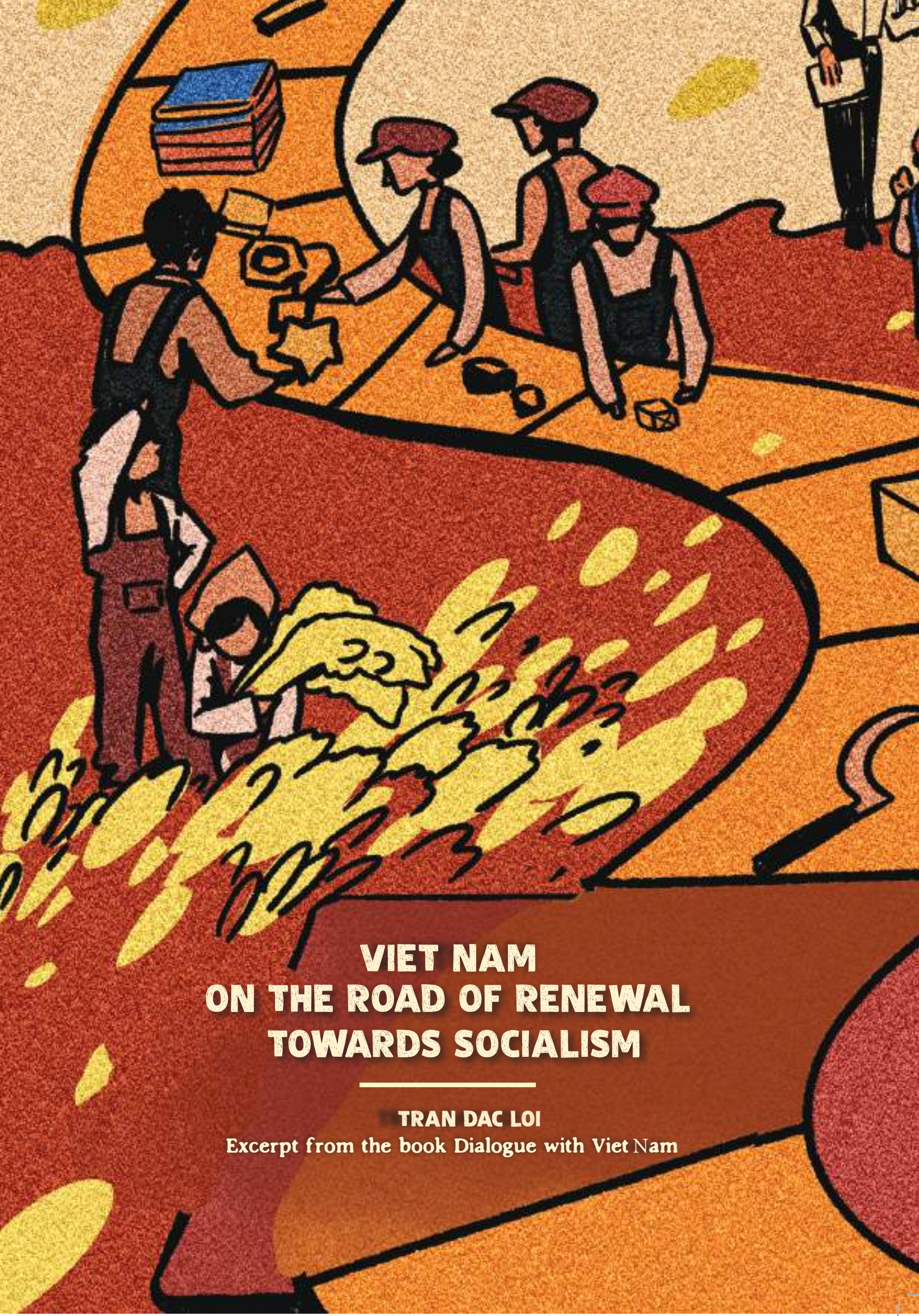
Both theory and praxis have shown that building socialism means creating a qualitatively new type of society, which is by no means a simple or easy task. This is a grand and innovative endeavor; full of challenges and adversities. It is a self-driven, continuous, long-term and goal-oriented cause that cannot be rushed. Therefore, in addition to charting the correct course of action and

ensuring the Party's leadership role, we must actively harness people's creativity, support and active participation. The people shall welcome, support and enthusiastically participate in the implementation of the Party's chosen course since they see that such guidelines are in their interest and live up to their aspirations. The ultimate victory and development are deeply rooted in the strength of the Vietnamese people.

On the other hand, the Party's leadership and stewardship, in shaping the political orientation and policy making, should not stem only to the situation in our own country. It must also study and learn from the experiences of other countries and lessons of the times. In today's globalized world, the development of each nation-state cannot be separated and shielded from external impacts, global context and the dynamic of the times. Therefore, we must actively engage in international integration, implement a foreign policy of independence, self-reliance, peace, cooperation and development, and multilateralization and

diversification of international relations, on the basis of respect for the independence, sovereignty and territorial integrity of each other, noninterference in each other's internal affairs, equality and mutual benefit.

And it is of great importance to remain steadfast and firm on the foundation of Marxism-Leninism the scientific and - revolutionary doctrine of the working class and the working people. The scientific and uncompromising revolutionary nature of Marxism-Leninism and Ho Chi Minh's thoughts are enduring values that have been pursued and implemented by generations of revolutionaries. This will continue to develop and prove its vitality in the reality of both the revolutionary movement and scientific development. We need to selectively adopt and supplement the latest ideological and scientific achievements in the spirit of criticism and creativity, so that our ideal foundation forever remains fresh and revitalized, and embodies the spirit of our times, thus not falling prey to dogmatism and obsolescence.



**VIET NAM
ON THE ROAD OF RENEWAL
TOWARDS SOCIALISM**

TRAN DAC LOI

Excerpt from the book *Dialogue with Viet Nam*

TWO DIFFICULT DECADES AFTER THE WAR (1975- 1995)

Before the war, Vietnam was a colonial, semi-feudal with a backward agriculture and a mainly subsistent economy. At the time of 1956, the GDP of the Republic of Vietnam was 5 times higher than that of the Democratic Republic of Vietnam due to the destruction of North Vietnam by the French⁽¹⁾. However, the per capita income in the South at that time was only 62 USD/year. During the war, the economy of the Democratic Republic of Vietnam grew at an average of 6%/year while the economy of the Republic of Viet Nam only grew at an average of 3.9%/year due to several consecutive years of recession since 1964. By 1974, per capita income in the North and the South were equal and only reached USD 65/year⁽²⁾.

The American war has left very heavy consequences for the country and people of Vietnam. More than 3 million Vietnamese people were killed, 4 million injured, 4.8 million people exposed to Agent Orange/dioxin, of which millions have contracted serious diseases. Structural infrastructure and most of the country's forests Vietnam have been devastated; nearly 800,000 tons of unexploded bombs and mines pollute over 6.6 million hectares of land, accounting for 20% of the country's total area, and continue to cause injuries and threaten

people's lives in many villages in South Vietnam. And up to now, 45 years after the war, there are still hundreds of thousands of children born with deformities due to the effects of Agent Orange/dioxin and there are still more than 200,000 Vietnamese missing in their homeland.

After the war, Vietnam desperately needed a peaceful environment and the assistance and support of the international community to overcome the consequences of the war, rebuild the country, develop the economy and improve the people's lives. But unfortunately, it was not the case. After the war, the US still maintained its hostile policy against Vietnam and imposed an economic embargo on Vietnam that lasted for nearly 20 years⁽³⁾. After coming to power in Cambodia, the Khmer Rouge implemented a policy of genocide and killed up to 2 million people out of the country's total population of 8 million people within 3 years of 1975 - 1978. Simultaneously, the Khmer Rouge carried out successive attacks to invade Vietnam, massacring thousands of people in the southwestern border provinces of Vietnam. The Vietnamese government has been very restrained and tried without success to find a way to negotiate with the Khmer Rouge government to maintain peace. With the

(1) Tran Van Tho. East Asia Economic Fluctuations and the Industrialization of Viet Nam. National Political Publishing House. Ha Noi, 2005. Page 6

(2) Fledgling Financial Market in Vietnam's Transition Economy, 1986-2003, Vuong Quan Hoang.

(3) The original does not provide information.

policy of “sacrificing 2 million Cambodians to destroy 50 million Vietnamese”, the Khmer Rouge continuously escalated their attack to invade Vietnam and committed increasing crimes against the Vietnamese people. All efforts of Vietnam to raise the issue and propose to the United Nations Security Council on this matter were rejected⁽⁴⁾. The Chinese government at that time was the main patron of the Khmer Rouge. When Vietnam launched a counterattack against the invading Khmer Rouge and helped the Cambodian people to abolish the genocidal regime in this country, liberate the capital Phnom Penh on January 7, 1979, China has mobilized 600,000 troops to attack the northern border provinces of Vietnam on February 17, 1979. The United States and Western countries and China have taken advantage of the Cambodia issue to contain, embargo, isolate and weaken Vietnam, reserving the seats at the United Nations for the “Democratic Cambodia”⁽⁵⁾ led by the Khmer Rouge and funding these forces fighting against the new government in Cambodia and Vietnamese volunteer armed forces in Cambodia. Therefore, Vietnamese volunteer armed forces in Cambodia had to continue fighting for more than 10 years in Cambodia to help the Cambodian people prevent the return of the Khmer Rouge and revive the country after the genocide. At the

same time, Vietnam also has to deal with conflicts and permanent confrontations with China in the northern border provinces.

Vietnam’s fight against the Khmer Rouge in Cambodia, the border war and confrontation with China along with the siege and embargo of the US and the West resulted in even worse socio-economic situation of the country already struggling with war consequences. The country’s main trade relations and support at that time were from the Soviet Union and the socialist countries of Eastern Europe. Although Vietnam joined the Council for Mutual Economic Assistance (Comecon) in 1978, the bloc at that time has also entered a period of stagnation, so the level of aid and cooperation for the country was also limited⁽⁶⁾.

These are objective difficulties that negatively affect the socio-economic situation of Vietnam during the two post-war decades⁽⁷⁾.

Subjectively, we were hasty and subjective in applying the socio-economic development model after the liberation and unification of the country. With the motto “moving forward with strong advance to socialism”, we have nationalized and collectivized most of the production and business industries, and applied the central planning mechanism

(4) On November 16, 2018, the UN-backed tribunal charged the Khmer Rouge with genocide for killing 1.7 million people from April 1975-January 1979. It was not difficult to imagine what would have happened to the Cambodians if Vietnam did not remove the Khmer Rouge by January 1979.

(5) The alliance consisted of the Khmer Rouge, the FUNCINPEC party and the Khmer People’s National Liberation Front (KPNLF) in which the Khmer Rouge was the key and only player who had armed forces.

(6) Total export values in 1980 was 320 million rubles and dollars, of which only \$82 million USD.

(7) In reality, Vietnam could only enjoy a normal international environment since the normalization with the US and ASEAN membership in 1995.

and the regime of distribution of subsidies in the whole country. These policies are mainly aimed at rapidly eradicating exploitative patterns, realizing social progress and justice, and building human relations of equity. However, in economic terms, the application of the above model has proved very ineffective. For example, although Vietnam was originally a purely agricultural economy, its labor productivity in agricultural production was very low at that time⁽⁸⁾ leading to a prolonged food shortages, forcing the State to import about 1 million tons of food per year to be able to ensure the minimum supply for the people. The similar situation was reported in all other manufacturing industries that make all essential goods scarce. By the mid-1980s, inflation for three years in a row was at a triple-digit rate, up to 774% in one year. More than 70% of the population lives in poverty. Meanwhile the country really got into a serious socio-economic crisis.

We had made a main mistake during that period by wrongly perceiving the starting point with the destination. A socialist society without exploitation, and secured equality, justice and a full social welfare system for all people as a goal of nobility to achieve, requires long-lasting efforts, instead of overnight endeavor, for steady economic development, building of material and technical foundations, and socio-cultural development. Vietnam has just entered the

first stage of the transition to socialism, with not yet materialized socialism. In practices, we had rushed to adopt a development model that was not compatible with the specific conditions of the country. For example, the country's agriculture then was characterized with mainly manual labor according to the formula "the buffalo goes first, the plow follows" which is only suitable for the model of household-based production model, with no viable mechanization and conditions, premise or objective needs available for collective labor organization and assignment. However, we had applied the cooperative model, even high-level cooperatives in some cases. In practices, we have socialized so high-level production relations that incompatible with the very low development level of the productive forces then, which is contrary to the principles set by K. Marx, and ultimately caused a negative impact on labor productivity. The application of the central planning mechanism from the central to the grassroots through the bureaucracy had failed to ensure its relevance and significantly limits the dynamic and creative role of the grassroots. The maintenance of subsidized housing, food, free health care and education, etc., given an already very tight State budget was only able to meet some basic needs, with substandard delivery of minimum levels and failed sufficient resources for investments for development. As a result, while the society is relatively equal, everyone is essentially equally poor and limited in living standards.

(8) In 1980, the total food production was reduced by 300,000 tons to 14 million tons; collective pig farming dropped 16% as compared to 1979.

Faced with that situation, since the 1980s, the Communist Party of Vietnam has advocated piloting and gradually implementing policies to renew the socio-economic development model. The 6th National Congress of the Party in 1986 decided to officially put the Doi Moi (renovation) policy into practice.

Along with the implementation of renovation policies, with the spirit of “closing the past, looking to the future”, Vietnam also actively implements a new

foreign policy to build a peaceful and stable international environment to develop the country. After completing the withdrawal of its troops from Cambodia in 1989, Vietnam normalized relations with China and the US in 1991 and 1995 respectively. It can be said that with complete normalization of relations with all countries as former foes during the wars in Vietnam, the country has acquired international environment of peace and stability to focus on the national development.

THE RENEWAL PROCESS AND DEVELOPMENT OF SOCIALIST-ORIENTED MARKET ECONOMY (SINCE 1986 TO DATE)

The renewal policy initiated by the Communist Party of Vietnam is derived from the actual situation in Vietnam and on the basis of review of practical experiences from the grassroots. During the renewal process, the Party has both reflected from practical experiences at home and abroad.

With the spirit of “looking directly at the truth, stating the truth”, the Party has pointed out mistakes in economic development leadership in recent years, advocating “renewal of thinking”, including economic thinking as the first priority, to help the country overcome the crisis, develop the economy, and improve the people’s living standards.

The first breakthrough was made in agricultural production with the transfer

of land use rights from cooperatives to farmers to organize household-based production, also known as “household contracts”. The application of this policy immediately helped to rapidly increase agricultural output; making Vietnam self-sufficient in food following a short period of time of application. Since 1989, it has started exporting rice and then quickly became the world’s leading rice exporter. This practical result is an important basis for expanding the adjustment of production relations with relevance to the level of development of the productive forces in all other fields, as well as for policy formulation of economic reform with the main objective of liberating production capacity and mobilizing maximum resources for economic development and improving people’s living standards.

The focus of the economic reform policy is to gradually transition from a centrally planned and subsidized economy to the development of a socialist-oriented market economy⁽⁹⁾. To date, it can be seen that Vietnam's socialist-oriented market economy has the following main characteristics:

- IN TERMS OF GOALS,

the socialist-oriented market economy aims to realize the goal of "wealthy residents, strong country with democracy, justice and civilization". In the socialist-oriented market economy, economic development represents an important means to continuously raise and improve people's living standards. Therefore, while it attaches importance to economic development, it does not pursue pure economic growth but advocates economic development in parallel with promoting social progress and justice, building culture, ethics and protecting the environment. As development pattern, it aims for comprehensive, fair, sustainable, people-centered development. Therefore, while considering "economic development as the central task", the Party and State advocate "promoting social progress and justice alongside with economic development", "cultural development as the spiritual foundation" and protect

the environment, "do not trade off the environment for development".

- IN TERMS OF MECHANISM,

a socialist-oriented market economy is an economy operating according to the market mechanism under the management and regulation of the Socialist State in order to take advantage of and bring into play the strengths of market for economic development, at the same time limiting the negative side and orienting the market's activities to the implementation of development goals for the common benefits of society. On the other hand, a socialist-oriented market economy combines operating according to the laws of the market with macro planning through immediate, medium and long term plans to realize comprehensive development goals. As the market's resources are often concentrated in high-profit areas, the allocation of resources in a socialist-oriented market economy aims for a combination and complementarity between the resources of the market and the public sector through targeted programs of the State and public investment in order to better meet the development needs of society. In that spirit, every year the National Assembly and the Government promulgate a set of development indicators

(9) The 6th Party Congress (1986) advocated "developing a multi-sector economy", applying new management mechanisms based on the "commodity-monetary relation". The 7th Congress (1991) concluded "developing a multi-sector commodity economy with the socialism orientation". The 8th Congress (1996) resolved "developing the multi-sector commodity economy operated by the market mechanism under the state management with the socialist orientation". The 9th Congress officially considered the "socialist oriented market economy" as the general economic model of our country in the transition period.

not only in economic terms but also in social development, human development and sustainable development, including targets on poverty reduction, health development, culture, education, environment, etc. and devote considerable resources to the cause of education, health care, national programs on hunger eradication, poverty alleviation, agricultural and rural development, development of particularly disadvantaged areas, etc.

- IN TERMS OF COMPOSITION,

the socialist-oriented market economy is a multi-sector economy, in which the state economy plays a leading role. This combination is necessary even though the private sector and foreign investments play a very important role as they usually focus only on areas and fields that bring a lot of immediate profits, making it difficult to fully meet the development needs of society and the long-term interests of the country. State-owned enterprises are not intended to compete with non-state enterprises for the purpose of making profits, but constitute economic tools of the State to directly participate in the market to perform important and necessary development tasks for the society and country that businesses in other economic sectors are unwilling, unable or unfit to take on. For example, state-owned enterprises that have a monopoly in fields directly related to national security such as weapons production, power transmission, etc., play a dominant role in the fields of decisive influence on the development of national security, macroeconomic stability such as finance,

energy, post and telecommunications, public transport, etc., or actively participate in activities in important fields that have great influence on the economy and interests of society and the majority of the people, develop spearhead industries, infrastructure, trading of food, medicine, electricity, clean water, etc. In addition, the presence and participation of state-owned enterprises also help the State grasp the situation and promptly take measures to stabilize the market, combating negative activities such as speculation, trade fraud, tax evasion, etc. For example, in the face of the situation that traders often try to lower the price of rice during the harvest season in the Mekong Delta, the government's management of the purchase price has protected farmers' interests against market fluctuations for many years.

- SOCIAL POLICY,

with the policy of "implementing social progress and justice alongside with economic policy and development," while creating conditions and encouraging people to legally become wealthy, the Party, State and society as a whole focus on helping and supporting the poor and people in disadvantaged areas through national programs on hunger eradication and poverty reduction, agricultural and rural development, and support for the poor, ethnic minorities, populations in remote areas, etc. The minimum wage is adjusted on an annual basis for typically higher rates than economic growth rates. While free education has yet to be delivered to the entire population at all levels for, the State

considers exemption or reduction of tuition fees and support of payment for costs with priorities given to students, poor students, children of ethnic minorities or in remote regions, and at the same time spends 20% of the total state budget on education and promotes the socialization of education to ensure education attainable by persons in need. While free medical care has yet to be provided for the entire population, the State gives priority providing free health insurance to the poor, children under 6 years old and the elderly, and at the same time focuses on developing the health care system, especially at grassroots levels, rural and remote areas, and promotes the mobilization of health services in order to better health care needs of the people, in which the public health system plays a leading role. The Party and State also always pay adequate attention, formulate and implement a series of policies to realize gender equality, support ethnic minorities, people in difficult areas, and people with disabilities, and other disadvantaged groups in society.

- INTERNATIONAL ECONOMIC COOPERATION,

Vietnam advocates implementing the policy of opening up and international integration to expand the market for Vietnamese goods and attract investment, advanced technology and management experience of other countries for its national development. In that process, Vietnam advocates to optimize its internal resources, constantly improve the self-reliance and competitiveness of the economy, and expand and diversify international economic cooperation and linkages for the country's economic

development. Vietnam has become a member of the World Trade Organization (WTO) since 2006 and so far, has signed 12 free trade agreements with most of the world's key economies, making it an economy of high-level opening with total import and export turnover twice as higher than the gross domestic product.

The reform policy has brought positive change to the country Vietnam for over the last 3 decades.

The economy has maintained a steadily and relatively high growth rate, as its GDP grows at an average of 7% per year, from USD 31 billion (in 2000) to USD 101 billion (in 2010) and USD 266 billion USD (in 2019); its economic growth rate in 2019 reached 7.02%, making it one of the world best growing economies. Its food production output increased from 12 million tons (1980) to 35 million tons (2000) and 43.6 million tons (2016). A country suffering from food shortages, Vietnam has risen to become the world's second largest rice exporter and the world's leading exporter of many other agricultural products. Its industrial sector also developed continuously at a relatively high rate, from a share of only 29% of GDP (1986) to 34.49% (in 2019) (services sector now account for 41.64% and agriculture is 13.96% of GDP). Vietnam's exports have increased continuously annually, from USD 2.4 billion (in 1990) to USD 14.5 billion (in 2000) and reached USD 263.5 billion (in 2019) (of which the trade surplus in 2019 reached nearly USD 10 billion). Total accumulated foreign direct investment in Vietnam by the

end of 2018 reached USD 194 billion out of USD 345 billion of registered amount⁽¹⁰⁾, in 2019 alone, the disbursed amount reached USD 20.8 billion while the total amount of registered capital was more than USD 38 billion. Of the total investment capital of the whole society in 2018, the public sector accounted for 33.3%, the non-public sector accounted for 43.3% and the foreign investment sector accounted for 23.4%. The World Report and US News in September 2019 ranked Vietnam 8th of the world's 20 best economies for investment. The number of international tourists to Vietnam also increases every year. In 2018 the number was more than 15.6 million, an increase of 20% compared to the previous year. In 2019, Vietnam was voted by the American Tourism Association (USTOA) as one of the 10 most attractive destinations in the world. Inflation has been contained, in recent years the inflation rate has been constantly maintained below 4%; foreign currency reserves increased continuously to reach a record high level; and macroeconomic stability has been secured.

Economic development has significantly changed the country's outlook and ultimately created conditions to significantly improve people's lives. Per capita income increased from USD 98 (in 1990) to USD 402 (in 2000), USD 1,168 (in 2010) and reached nearly USD 2,800 (in 2019). Since 2008, Vietnam has been removed from the list of the

world's least developed countries. Per capita income in the period 2016- 2018 increased by an average of 10.8% per year, higher than the economic growth rate.

The national poverty rate according to national standards has decreased from 75% (1986) to 58% (1993), 22% (2005) and below 4% (2019). Overall, the poverty rate in Vietnam is halved every 10 years on average, equal to the poverty reduction target set by the United Nations for the period 2000 - 2015. Vietnam is recognized by the United Nations as one of the few countries that has delivered the Millennium Development Goals on poverty eradication ahead of scheduled timeline.

Vietnam's population is currently more than 96.2 million people, of which more than 34.4% live in urban areas and nearly 66% live in rural areas. National programs on agricultural and rural development, for the development of remote areas have rendered access by 100% of rural communes to electricity, 99.7% with primary schools, 92.8% with lower secondary schools, and 99.9% with medical stations.

Vietnam completed illiteracy eradication and primary education universalization in 2000, and lower secondary education universalization in 2010. The number of people going to school increased from 14.9 million people in the academic year of 1994-

(10) As of February 2019, of the 130 countries and territories investing in Vietnam, South Korea was at the top with the total investment of \$63.7 billion USD (18.4%); Japan was ranked second with \$56.7 billion USD (16.4%), followed respectively by Singapore, Taiwan, British Virgin Islands, and Hong Kong.

1995 to 22 million in school year 2016-2017; while the number of students at university and college levels increased from 1.4 million in academic year of 2005 - 2006 to 2.3 million in the school year of 2016 - 2017. In 2015, Vietnam had 95.8% of people aged 15 years and over who could read and write. The rate of people with education level of high schools or higher increased from 20.8% (in 2009) to 36.5% (in 2019).

The malnutrition rate among children under 5 years old decreased from 33% (2000) to 19.9% (2008) and 13.9% in 2016. Mortality rate of children under 1-year-old decreased from 44 children per 1,000 (in 1990) to 14 children per 1,000 in 2019. The maternal mortality rate in 2019 was 46 cases per 100,000 cases, nearly reaching the target of 45 cases per 100,000 cases set for 2030. Vietnam has been successful in control over many dangerous diseases, such as eradicating smallpox, polio, and successfully prevented new dangerous diseases. The country is recognized by the World Health Organization (WHO) as the first in the world to successfully prevent the SARS pandemic, and as a bright spot in HIV/AIDS prevention and control, and as a country "with highest trust of people in government measures to respond to the COVID-19 acute respiratory infection in the world" as announced by Berlin-based Dalia Research on March 30, 2020. The average life expectancy of the population increased from 62 years in 1990 to 69.8 years in 2004 and 73.6 years in 2019.

Unemployment was maintained at a low level as its average unemployment rate

nationwide in 2018 was 2%, of which the rates in urban areas and rural areas were 2.95% and 1.55% respectively. The national proportion of households without housing decreased 10 times over the past 10 years, with only 1,244 households in 2019.

The Human Development Index (HDI) of Vietnam increased from 0.472 in 1990 making it one of the countries with low HDI thriving to the top of the group of countries with medium HDI index. The country is recognized by the United Nations Development Program (UNDP) as one of the countries with the highest HDI growth in the world in the period 1990 - 2018, at 1.36% per year, reaching 0.63 in 2019 and only 0.007 points short to qualify for the group of countries with high HDI in the world.

Currently, there are hundreds of thousands of foreigners living, working and studying in Vietnam. At the 2019 HSBC Expat Report with surveyed 18,000 expats coming to live in 163 countries and territories around the world, Vietnam was rated as one of the 10 best countries for expats to live and work.

However, due to a low starting point and extremely heavy war consequences, Vietnam is still a low-middle-income country, with a low level of development compared to many countries in the region and around the world. Besides the achievements and results obtained, the process of economic development and opening markets, international integration of Vietnam in the past decade also showed limitations. Some of the guidelines and tasks have not been

properly implemented, leading to the failure to achieve the goal of basically turning Vietnam into an industrial country by 2020, while the quality of economic growth is still limited, so the development results are far from sustained and comprehensive; labor productivity and competitiveness are still low, many state-owned corporations and investment projects are reporting losses, with waste and low inefficiency of capital, public debt is high; low capability for self-reliance and low quality of attracting foreign direct investment and low position in the global value chain. The gap between the rich and the poor tends to increase, a part of populations is still struggling; the quality of education and medical care remains limited, culture and social ethics tend to decline, crime and social evils tend to increase; ecological environment is severely damaged, polluted and degraded. In addition, Vietnam is increasingly affected by complicated developments of the world economy, suffering from many natural disasters and

is one of the six countries most affected by climate change which is becoming more and more intense in the world.

Faced with that situation, the 12nd National Congress of the Communist Party of Vietnam in 2016 set out a policy of strongly renewing the growth model associated with economic restructuring towards improving the quality of growth, speeding up industrialization and modernization, raising labor productivity and the economy's competitiveness, building an independent and self-reliant economy, enhancing capacity, discipline and efficiency in economic governance, while at the same time improving the people's living standards, education and health care, strengthening cultural development, and promoting environmental protection, responding to natural disasters and climate change. The positive results achieved in the past years have confirmed the necessity and relevance of these policies.

POLITICAL REGIME AND SOCIALIST RULE OF LAW STATE

Vietnamese political regime's basic characteristics are formed as a result of the specific historical process of the country and normative requirements of the cause of building socialism.

The Democratic Republic of Vietnam, established right after the August Revolution in 1945, is a state of party plurality, as it is led by President Ho Chi Minh and Viet

Minh, but also included members of many other parties, including opposition parties. The Communist Party of Vietnam at that time had only 5,000 members in the whole country. However, the French and American invasions in subsequent periods profoundly changed Vietnam's political regime. Parties set up and sponsored by foreign powers sided with the invaders against the nation, followed the invaders when they were


defeated, and thus excluded themselves from political life in Vietnam. Meanwhile, the wise leadership and the example set by President Ho Chi Minh and the communists for their sacrifice for the country and for the people has brought absolute credit to the Communist Party of Vietnam. During the resistance war and following the Communist Party's victory, most of the youth who wanted to contribute to the country and the people have volunteered to join the Communist Party. And the Communist Party of Vietnam has in fact become the only political party, holding the leadership role of the country, often referred to as "Our Party" by the people. It is the result of the concrete and objective historical process of Vietnam in the 20th century.

On the other hand, building socialism is not a spontaneous job or can be completed overnight, but a whole self-conscious, long-term goal-oriented revolutionary cause that requires constant leadership, the continuity and consistency of the political force leading that process, any interruption can lead to the reversal of the revolutionary process and the eradication of all achievements of the people's struggle and construction. Therefore, the Constitution of the Socialist Republic of Vietnam stipulates that the "Communist Party of Vietnam is the force leading the State and society".

The Communist Party of Vietnam does not have its own interests, but only strives for the interests of the working class, the working people and the whole nation. According to regulations, before any candidates are to be admitted to the Party, it is necessary for as representatives of ethnic minorities, higher

the candidates to qualify for confidence of the non-Party masse through consultations. As members of the Party, they must maintain close and regular contact with the masses and people.

Currently, Vietnam has been in the process of completing the construction of a socialist rule of law state of the people, by the people and for the people. All agencies, organizations and people must comply with the law. The National Assembly is the highest authority, elected every five years through universal, direct, secret ballot. All citizens aged 18 years and over have the right to vote and stand for election at all levels. Although Vietnam does not have a requirement for voters to go to the polls, the actual number of voters participating in the election always exceeds 90% of the registered number. The National Assembly exercises the supreme legislative and supervisory role over the activities of the executive and judicial organs. Over the last decades, important sessions of the National Assembly, including sessions to question the Prime Minister and members of the Government, the Chief Justice of the Supreme People's Court and the Chief Procurator of the Supreme People's Procuracy, are televised, broadcast live and publicized throughout the country. The revised constitution adopted in 2013 has added many provisions to strengthen democracy and fully guarantee humanrights. The 14th National Assembly currently has 26.27% female deputies, higher than the world average of 22.3%; 17.3%



than the target rate of ethnic minorities of 14.3%. Legislative bills and policies of key importance to be adopted must be open to public opinions and consultation. In practices, there have been cases where such bills put under suspension as they failed to enjoy the public consent. Many unjust and wrong cases have been reviewed and satisfactorily handled.

Vietnam currently has more than 70,000 people's organizations, including more than 500 mass organizations operating nationwide; many socio-political organizations and mass organizations with up to millions of members. The Vietnam Fatherland Front is a political alliance of organizations representing all classes, religions, professions, etc., in society. Through these organizations, people of all walks of life actively participate in the political life and socio - economic development of the country. Among the people's organizations, there is a cooperative relationship under the motto "unity in diversity" in order to fully represent the interests of all social strata and contribute to consolidating and building the great solidarity bloc of the whole nation on the basis of common interests. The relationship between the State of the people, by the people and for the people and the people's organizations is a close relationship between partners for the same goals and interests, not opposition or antagonism. The State shall take measures to pay attention to, support, encourage and promote the role of effective people's organizations in representing, protecting and promoting the interests of the people, contributing to positive for the development of

society. In recent years, the Prime Minister has had regular meetings and dialogues with the Vietnam Fatherland Front and mass organizations representing workers, farmers, entrepreneurs, women and youth.

Vietnam now has nearly 900 press agencies as information outlets for the people in the country. Editor-in-chief and journalists are responsible for the content of information in accordance with the law. Because the mass media is also a form of political power that has a great impact on the common interests of the whole society and owned by the people, Vietnam advocates not to privatize the press; all newspapers belong to public agencies or people's organizations. The number of internet users in Vietnam currently accounts for more than 60% of the population, ranking 16th in the world.

All people in Vietnam have the right to freedom of belief and religious practice. As of June 2017, the country had 25.3 million belief followers, accounting for 27% of the population, of which there were more than 11 million Buddhists, more than 6 million Catholics, more than 1.2 million Christians, 72,000 Muslims, more than 2.4 million Cao Dai followers, and more than 1.3 million Hoa Hao followers. Currently, there are 42 organizations belonging to 16 religions that have been recognized by the State.

The implementation of the Grassroots Democracy Regulation over the past decades has created conditions for people to directly control their lives. However, along with important achievements, Vietnam's

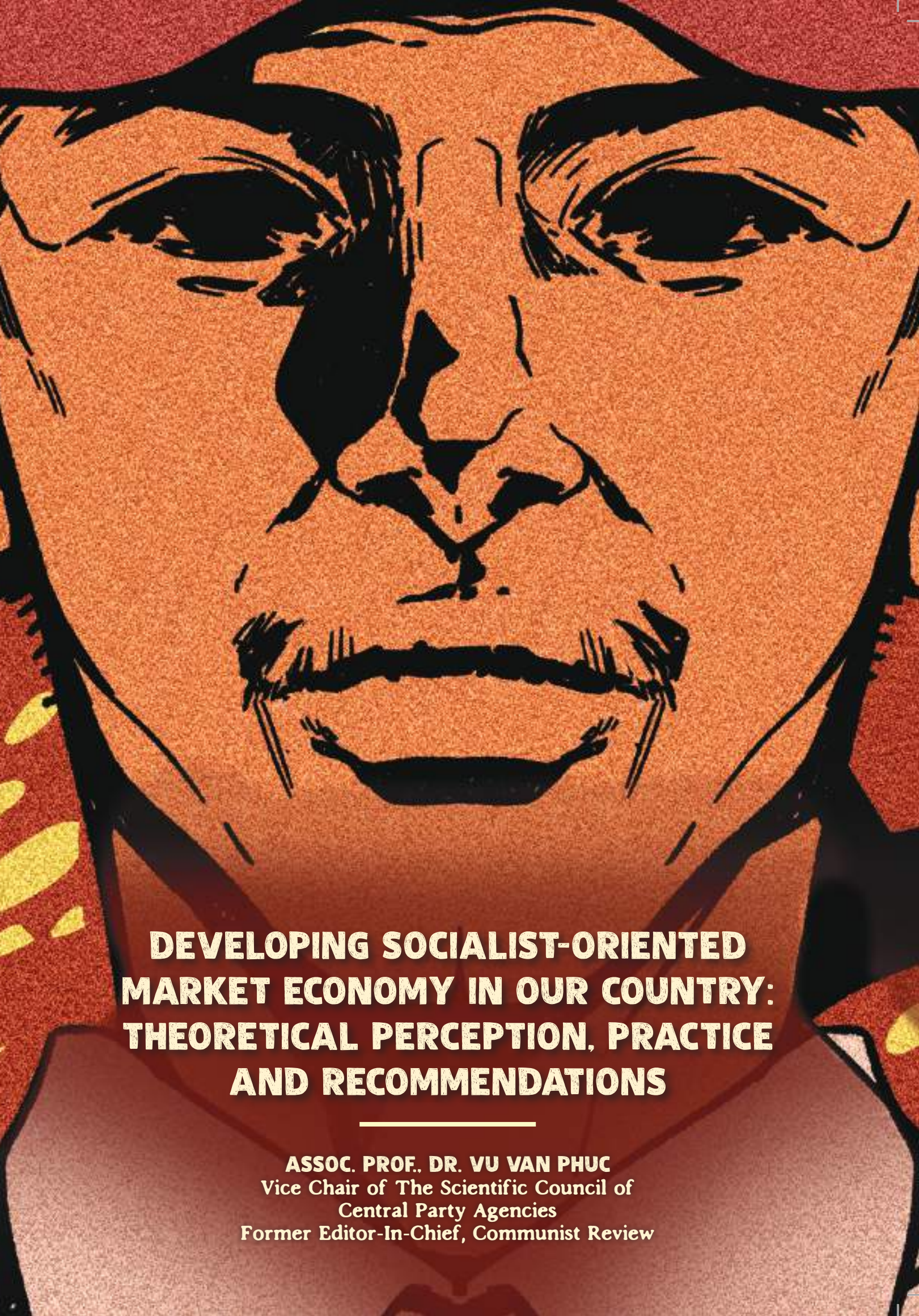
political renewal process also encountered many great challenges.

The constant challenge from the outside is that reactionary and hostile forces always seek to destroy Vietnam. In recent years, in addition to continuing terrorist activities undermining national security, they have increasingly taken advantage of “hot” issues in society to distort and incite instability in the country. Meanwhile, a number of Western forces have always sought to influence and exert pressure in the field of democracy and human rights, and plot “peaceful evolution” to change the political regime in Vietnam.

But the biggest challenge is the inner challenge, from within. The constant danger to the ruling party is stagnation, corruption, bureaucracy, and separation from the masses. Despite early awareness and warned of the risk that, but the measures have not been implemented effectively, timely and completely, especially with more complex effects of the growth economy market and opening up, international integration over the past decades. The cult of money, the selfish tendency, the pursuit of material enjoyment emerged, and dominated many relationships in society. Although the number of party members increased to about 5 million, the overall quality declined. Opportunism, individualism,

bureaucracy, red tap manifestations tend to spread among cadres and civil servants at all levels. In particular, corruption, manipulative running for office, for power, degradation in politics, ideology, morality and lifestyle have spread to a significant part of the contingent of cadres and party members, including high level leaders. This is a very serious problem that is weakening the Party and State, degenerating from within, hindering the development of the country, causing high-profile frustration, significantly reducing trust, confidence and loyalty of people to the Party and State. It is the “internal enemy” that poses the biggest threat to the existence of the current regime.

In the wake of that situation, the Party advocates to focus on promoting the prevention and fight against corruption, graft, degradation, “self-evolution,” “self-transformation” internally, strengthen control over power, and further promote learning and following Ho Chi Minh’s thought, morality and style in order to improve the Party’s leadership capacity and fighting strength, and build and correct a clean and strong Party. Recently, many violations have been resolutely handled according to the motto “no restricted area,” which has contributed to strengthening people’s trust and gaining public support and approval.



**DEVELOPING SOCIALIST-ORIENTED
MARKET ECONOMY IN OUR COUNTRY:
THEORETICAL PERCEPTION, PRACTICE
AND RECOMMENDATIONS**

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PERCEPTION OF THE SOCIALIST-ORIENTED MARKET ECONOMY AFTER NEARLY 30 YEARS OF THE DOI MOI

After nearly 30 years of the Doi Moi reforms, the perception of a socialist-oriented market economy is becoming clearer and clearer:

FIRST, the market economy (a high level of development of the commodity economy, when every product can become a commodity) is a product of human civilization, which emerged from the end of the primitive communist regime, developed to a high level under capitalism, so the market economy in itself is not synonymous with capitalism. That is, the market economy is not an exclusive product of capitalism, but the commodity economy, the source of nourishment and the starting point of the market economy, exists in many different social regimes. But there is no common market economy, uniformed for all different social regimes. In each different social regime, the market economy has different characteristics and nature depending on the level of development of the productive forces, on the political nature of that social regime, in accordance with history, culture and customs of each nation. Although the economic laws governing the movement and development of the market economy are objective, with similar inevitable requirements; the views, customs and habits of applying those objective economic laws vary in different countries. It is impossible for a market economy in one country to be a copy of a market economy in another.

SECOND, the nearly 30-year practice of innovation in our country has convincingly

demonstrated that: The road to socialism in our country must go through the market economy. Without developing a market economy, it is impossible to reach socialism. Because, the market economy has advantages that make it superior to the in-kind and self-sufficient economy: Firstly, the market economy creates positive and self-conscious labor motivation for each employee through the competition mechanism to become the best (most creative, most dynamic and most reasonable); second, the market economy promotes deeper specialization to bring into play the multifaceted potential of different people; third, the market economy coordinates and regulates people's behavior voluntarily through the voluntary exchange of goods and agreements according to the law of supply and demand; fourth, the market economy reflects a high degree of freedom and democracy in the condition that resources to satisfy needs are scarce. Compared with the centralized planning mechanism of the State during the subsidy period, the market economy does not have to spend for the cost of planning and operating the plan, but it can promote everyone's strength. But it should be confirmed that: The market economy by itself cannot bring socialism to people. If our country wants to move up to socialism, it must develop a socialist-oriented market economy.

However, due to the lack of information, unfair competition, and the maximum

encouragement of talented people who have access to information, the spontaneous movement of the market economy will inevitably lead to damage that society cannot afford: rich-poor divide, the winner of the competition will take all whereas the loser will get nothing. Moreover, by possessing many means of production, the rich can oppress the poor by unfairly exchanging goods. In particular, when wealth is concentrated in the hands of a group of people, if they are not satisfied with the rate of return set by the market, wealth will accumulate in the warehouse, workers will not have a job. This is the point clearly identified by K. Marx: commodity economy (market economy) under spontaneous movement shall lead to the capitalist mode of production. The spontaneous market economy also leads to destruction of the common living environment for short-term benefits, causing supply-demand shocks that make life too precarious, etc. Therefore, the state needs to regulate the market economy on behalf of society, forcing it to operate within certain frameworks. The bourgeois state regulates the market economy but does not change its basic foundations, such as private property, freedom of business, prices are to be determined mainly by the market while the state only participates in re-regulation of wealth through the state budget, impacting supply or demand, in response to shocks, etc. The responsible socialist state can intervene more deeply in the market economy through changing the ownership regime of a certain amount of means of production or supporting other forms of production organization,

businesses that benefit employees, such as cooperatives, state-owned enterprises, etc. Here, the form of intervention may be the same between capitalist and socialist states, but the goals are different: The capitalist state only provides assistance to stabilize the market and provide as much support as possible to the losers. The socialist state focuses on training workers, creating conditions for them to master the production and distribution process in order to benefit them. In addition, where the workers cannot afford, the state will support through the safety net, social allowance, social welfare, etc. The Communist Party and the socialist state strive to find models of production and business organization that are both effective and beneficial to workers. In the current period, the market economy will do the main regulatory task, the socialist state will participate in regulation based on theories and practical experiences to have a more efficient market economy which better beneficial for employees, etc. Therefore, the socialist state does not limit its activities like the capitalist state. That is the basis for our Party to define our economy as a socialist-oriented market economy: Which is both under the influence of objective market economic laws, while subjected to the socialist orientation of the economy. The law of the market economy and the socialist nature are not two parts joined together mechanically but integrally linked, determining the nature, purpose and direction of economic development. The problem is that there is no such thing as a non-political, non-historical, non-national state market economy. The socialist factor

has been shown in that the Communist Party is the vanguard of the working people (if the Communist Party degenerates or is not able to lead, the market economy will spontaneously evolve into capitalism). The socialist state is also an institution, instead of a merely political institution so that the working people can reform everything in their favor, and is also a subject of the market economy. If the state apparatus and civil servants degenerate to the point of acting only for their own benefit, trampling on the interests of the working people, the Communist Party will lead the working people to reform the state. If the Party and the people fail to do so, the market economy will either spontaneously move the country to capitalism or return to feudalism. Thus, it is not an assembly but a struggle in the name of the interests of the working people. Because the market economy can adapt to many different political regimes and the socialist mode of production has not yet confirmed itself by the practical efficiency model, the socialist-oriented market economy is essentially an exploration: both complying with the laws of the market economy (because it is by far the most effective form of economic organization), and looking for economic models that are both more effective and adapted to the market economy, and beneficial for workers. If this search fails, it means that the socialist-oriented market economy will

once again fall into a capitalist orbit like the socialist countries of Eastern Europe and the (formerly) Soviet Union. Thus, it means that the essence of socialism is to pursue creative efforts and loyalty to the common interests of the working people of the Party, State and our people. To do so, three conditions are required:

- + The working people must be enlightened, improve their political and economic level in order to rise to mastery and embrace democracy;
- + The Communist Party must really act for the working people and be capable of leading the State and society;
- + The State (essentially the law and civil servants) must have both management capacity and act in the interests of the working people.

THIRD, the socialist-oriented market economy in our country is a multi-sector commodity economy operating under the market mechanism and under the management of the Socialist State. Up to date, the socialist orientation of the market economy has been determined⁽¹⁾: The socialist-oriented market economy is an economy in which the institutions, tools and principles of market economy operation are voluntarily created and used to radically liberate production

(1) Following the 10th Party Congress, the Resolution of the 6th Plenum of the Party Central Committee determined the socialist orientation of the market economy as quoted

power, gradually improving the people's life, for the goal of wealthy residents with a strong nation and a just, democratic and civilized society. To develop the economy with multiple forms of ownership and economic sectors, in which the state economy plays a leading role, the state economy and the collective economy increasingly become a solid foundation of the national economy. Encouraging residents to legally become wealthy goes hand in hand with hunger eradication and poverty alleviation; gradually affording every member of society to lead a prosperous and happy life, implementation of progress and social justice right in each step and each development policy. Economic growth goes hand in hand with the development of culture, health, education, environmental protection, etc., solving social problems well for the purpose of human development. Implementation of the distribution system mainly according to labor results, economic efficiency, and at the same time according to the level of capital contribution and other resources and through social welfare. Bringing into play the people's right to social control, ensuring the role of the socialist rule of law state in economic management and regulation under the leadership of the Party"⁽²⁾.

FOURTH, continue to perfect the socialist-oriented market economy institution in the following aspects:

+ Completing the institution of ownership: developing a market economy with many forms of ownership, many economic sectors, many types of enterprises, etc. being equal before the law, having legal rights and interests guaranteed by law, etc.

+ Completing the distribution system: perfecting on the allocation of social resources according to the market mechanism in line with the country's socio-economic development strategies, master plans, distributing and redistributing social incomes according to the State's policies so as to maintain efficiency and fairness at a level acceptable to the majority of the people on the principle of ensuring harmony between national and business interests, benefits of employees, creating motivation for development. Combination of multiple forms of distribution: according to labor, capital, shares of contribution of other resources, focusing on redistribution through social welfare, etc.

+ Continue to innovate, develop and improve operational efficiency, creativity, and competitiveness of entities in the market economy; all types of businesses, production and business organizations, etc.

(2) Official documents of the 6th Plenum of the Party Central Committee of the 10th Party Congress, National Political Publishing House, Hanoi, 2008, page 139- 14

+ Perfecting the institutional framework to ensure the synchronization of market factors: on price, competition, monopoly control, etc.

+ Perfecting the institutional framework to ensure the synchronization of all types of markets: goods - services, finance, currency, securities, real estate, labor, science- technology, etc.

+ Perfecting the institutional framework, linking economic growth with ensuring social progress and justice in each step of development and by development policy, and environmental protection.

+ Perfecting institutional framework to enhance the leadership role of the Party; effectiveness and efficiency of the State's economic management; strengthening the role of supervision and social criticism of the Fatherland Front, mass organizations and people, etc.

REALITY OF SOCIALIST-ORIENTED MARKET ECONOMY DEVELOPMENT IN OUR COUNTRY

The policies of our Party and State on abolishing the centralized planning economy with subsidies, shifting to a market economy and integrating into the world have been recognized by domestic and foreign investors and consumers with enthusiastic support. The command planning was lifted, giving rise to increasing number of domestic private enterprises and foreign-invested enterprises, with farming households shifting to commodity trading, private traders prospering, commodities and services market developing with an increasingly large scale and diverse categories. The financial market has developed relatively quickly, especially the credit market and the stock market. The real estate market has taken shape. The labor market and the science - technology market, although not yet developed in a standard way, have already

formed. Import and export flourished, with an economy of high level opening. However, the elements of socialism are either existent yet far from effective, or are not yet clear. Specifically, the state economic component, if understood as a combination of the state budget, public assets and state-owned enterprises, despite its large proportion of the economy, remains of extremely low efficiency, especially in terms of the ICOR coefficient of public investment (about 5-6), or considering the individual performance of state-owned enterprises. Even some large state-owned economic groups fell into a state of capital loss, bankruptcy, and debt (the debt of state-owned enterprises by 2013 reached more than VND 1 quadrillion). Cooperatives are even weaker, especially unattractive to farmers. The State management of the economy mainly based

on short-term policies, with low effectiveness and efficiency. The problems of market manipulation, fraud, counterfeiting, etc. are commonplace. The public confidence on the State has gradually been undermined because the management of the economy was not really effective and fair, under dominance of group interests, making so many of economic policies far from relevant to the common interests of the majority of the working people. In the current capacity of resources, there is no mechanism to regulate the reasonable distribution of social resources and the generated wealth, resulting in a widening gap between the rich and the poor, and the relationship between self-regulation of the market mechanism and the State management and regulation has not been properly handled, while bureaucratic management procedures, waste and corruption have not been effectively contained etc. The fluctuations of the world economy have produced a large number of people working in agriculture with low incomes, and low capability to escape poverty. All of those problems once again raise the question: Where is the socialism of the market economy? Although the 11st Congress emphasized the issue of renewing the growth model and restructuring the economy, perfecting the socialist-oriented market economic institutional framework as one of the three strategic breakthroughs, etc., the reality of the past three years shows that these policies have not brought the desired results:

- + The initial results of the implementation of three strategic breakthroughs are not enough to create a qualitative change in the growth model innovation, the quality of growth has not really been improved and maintained in a sustainable way;
- + The macro-economy has stabilized but is far from sustainable, still facing many difficulties and challenges;
- + There are still many difficulties in manufacturing business;
- + The implementation of the overall economic restructuring and growth model transformation faced many difficulties and did not meet the requirements;
- + The socio-cultural development shows many limitations and weaknesses;
- + The management of natural resources and environment remains inadequate;
- + The work of preventing and combating corruption and waste has not met the requirements, the stated goal is to prevent and gradually push back;
- + Political security still has potential destabilizing factors; protecting national sovereignty still faces many challenges; pressing issues remain rampant in terms of social order and safety⁽³⁾.

(3) See: Documents of the 8th Plenum of the Party Central Committee, 11th Party Congress, National Political Publishing House, Hanoi, 2013, page 38- 48

FEATURES OF THE LAW AND NATURE OF THE MARKET ECONOMY

On the surface, the market economy is competitive, which is the spontaneous formation of prices according to the force relationship between supply (the needed quantity of goods to be sold and selling price) and demand (the needed quantity of goods to be purchased and the purchase price) through a voluntary agreement mechanism realized by contract, represents the right to freedom of business (freedom of production, freedom to buy and sell). But, the essence of the market economy is the goods-money-goods relationship, as the form chosen by people to connect activities with freedom of production, business, and creativity in order to maintain economic social existence. In other words, the goods-money-goods relationship is a solvent for people to maintain their freedom of production and business, thereby deepening their specialization and closely connecting with others through exchange relations in order to cooperate with each other in an increasingly rational network of social division of labor. Thus, the market economy is an economic form in which the productive forces are free to develop based on increasingly deep specialization processes, and the faster application of technological progress into production, thanks to people being free to develop their potential abilities in a cooperative relationship with each other through the exchange of commodity - money - commodity. In other words, the necessary relations for the exchange of commodity - money - commodity such as freedom of business, legal equality between the parties

to the transaction, sanctions to ensure the performance of contractual commitments, the agreed regulations between the parties on the unit of measurement, the currency unit, the transaction method, etc. constitute the relations of production that must conform to the development requirements of the productive forces. This is inevitable regardless of political regime of the country with a market economy. Today, economists often regard the above production relations as market economic institutional framework.

The relationship of commodity - money - commodity in any society is also an agreement relationship between the two parties buying and selling in relation to the strength of agreement and the parties' assessment of the benefits and costs. For buyers, it is a competition to buy scarce goods at reasonable prices. For sellers, it is a cost competition to be able to have a reasonable profit. In a commodity transaction, each party has the freedom to make its own decisions and is responsible for bearing the risks of its decisions. These are general principles of market transactions in any economy and are recognized by international law. Socialism or capitalism, the level of development or underdevelopment are not reflected in these basic transactional relations. The level of development of the economy is reflected in the size and types of markets and the transaction methods. Capitalism or socialism manifests itself in the fact that a large amount of the means

of production belongs to a small number of owners or to the working people. If the means of production belong to the working people in some form, they have the economic strength to force the state to stand up and protect the interests of the working people. If the means of production belong to the employers, then the economic power is in the hands of the owners and they have influence so that the economic policy of the state must prioritize the protection of their interests. However, grasping the means of production does not solve the problem of efficient use of the means of production. In order to use the means of production effectively, it is necessary to create positive work motivation for employees. People have many motivations to operate effectively, but so far, the motivation for material benefits still accounts for a large proportion, especially in developing countries like Vietnam.

Thus, the difference between a capitalist market economy and a socialist-oriented market economy is in who controls the economic and political power in a country. In a capitalist market economy: that is employers who are the master; in a socialist-oriented market economy: that is the majority of the working people. That is the only difference. The remaining technical and organizational aspects of the market economy, such as the principles of commodity exchange, techniques for controlling the market economy, and techniques for organizing and managing the national economy in general, or by economic entity in particular operating in an efficient state might be shared between any two countries of different types because it is the result of cognitive and scientific evolution of mankind.

RECOMMENDATIONS FOR BUILDING A SOCIALIST-ORIENTED MARKET ECONOMY IN OUR COUNTRY IN THE COMING YEARS

- It must be affirmed that the market economy is the result of thousands of years of human development and achieved a sudden growth rate when switching to an economy based on the mass-produced mechanical industry. Only a highly developed market economy can be achieved when we complete the process of industrialization and modernization with a highly specialized economic structure based on competitive advantages. Therefore, efforts to industrialization and modernization to increase labor

productivity and specialize in production are an inevitable and objective path. The problem is to find industries that have a competitive advantage.

Regulations must be created to ensure the organization and civility of transactions in the market, especially in terms of minimizing costs and risks for economic entities, paying attention to quality standards of products, providing product information, contract discipline, and cashless payments,

etc. Gradually develop derivatives trading methods and support (interactive trading, insurance, etc.)

- Minimize State intervention in prices, strengthen regulation through market tools, such as state-owned enterprises competing equally with other types of enterprises, the State using financial and monetary policies, international trade to regulate the allocation of resources and the distribution of social wealth, etc.

- Searching for attractive collective economic models for households. Diversifying the management mechanism of state-owned enterprises in order to increase efficiency and improve the competitiveness of state-owned enterprises in parallel with supporting the implementation of the State's goals. While no clear conclusions can be drawn about the socialist ownership of the means of production, the current state-owned enterprises should be handled in three directions: a state-owned enterprise producing public goods shall be either managed as a non-business unit, or subjected to bidding for production orders under the State's support package. Enterprises of other types must orient themselves according to specific economic efficiency criteria in comparison and equal competition with other types of enterprises in the same industry. It is possible to equitize state-owned enterprises as appropriate. It is possible for the dissolution or bankruptcy of a weak enterprise to go along with considering the individual responsibility of managers. Establish a mechanism to control state assets in enterprises in one of three ways: assign an

administrative agency to monitor business activities of enterprises, collect dividends, increase or divest state capital according to the orders of state administrative agencies (Hungarian model); assigning provincial People's Committees and ministries to set up financial companies to manage public assets invested in enterprises (Chinese model); assigning an independent agency to manage businesses on a case by case basis (the British model), etc.

Resolutely reform administration to have clean state management agencies with simplified, accessible, open management procedures, publicity upholding the service responsibility and accountability of civil servants. This reform is the responsibility of the Party. The Party must successfully lead this reform and must attract and train clean, talented civil servants suitable to their assigned responsibilities. Create a mechanism for the people to strengthen supervision of Party members and civil servants (organization of information channels to reporting false evidence of civil servants, organizing effective protection of witnesses, strengthening public criticism and opinion, especially the press, the media, etc.). Strengthening the country's position in the world market by flexible foreign policy, effectively protecting national interests. The remaining issues, such as building infrastructure, innovating, improving the quality of vocational training, raising the Party's theoretical awareness, improving the Party's fighting strength and leadership

capacity, consolidating legislation and state management apparatus, perfecting the policy system, etc. are long-term issues, requiring design of positive short-term steps, with selective investment targets to achieve optimal long-term effectiveness. Such tasks are not to be done in rush as overnight deliverables.

- To perfect the socialist-oriented market economy institutional framework, it is necessary to pay attention to the following issues:

- + Clear orientation on policies and solutions to develop forms of ownership, economic sectors and types of enterprises in accordance with the reality of our country.
- + Take appropriate steps to innovate a really effective growth model, restructure the economy to develop synchronously market factors and types of markets.
- + Organizations and people form civilized and modern trading habits and practices in the market.
- + The State and enterprises form skills suitable for the market economy; rationally deal with the relationship between the State's management role and the market mechanism.
- + To better shape the model of socialism in our country as the basis for orienting the market economy. To harmoniously

and rationally settle the relationship between the market economy and the socialist orientation. But the principle of socialism which cannot be compromised is that all socio-economic development policies of the State must be planned and implemented on the basis of the interests of the majority working class. That is the goal from which the socialist principles cannot afford to deviate.

- It is necessary to unify the perception of the socialist orientation of the market economy: In addition to two issues of principles, namely most of the accumulated means of production must be in the hands of workers in some form (personally I think the private ownership of households, the ownership of workers in enterprises are in line with the socialist nature of our country) and the State of the working people, by the working people and for the working people, is there any other problem to be considered? For example, is it necessary to develop criteria to better define the socialist orientation of the market economy? What are the basic solutions to maintain the socialist orientation of the market economy in our country?etc. Issues about the organizational model of production and distribution activities should be handled flexibly towards efficiency and in accordance with market relations. The problems of unequal distribution should be dealt with by a system of diverse tools, such as taxes and subsidies, social welfare, social philanthropy, etc. It is not possible to solve the problem of inequality only by owning the

means of production and the production and business organization model.

Practice has proven that: Building a socialist-oriented market economy in Vietnam is a difficult, demanding and long-term task from the perspective of the nation's starting point as an underdeveloped country. The level of development of the market economy is the result of the development of the production force in the direction of deeper specialization, coupled with increased labor productivity at all stages of the division of labor structure. The more structurally diverse the economy, the more types of markets there are. The larger the output scale of the economic sectors is, the larger the market capacity is. A country with a long history of commodity production development, the more it will form habits, customs, transaction methods and business ethics in accordance with the principles of market economy for free exchange of goods and agreements. The high level of technology and the diversity of trading methods also determine the level of development and modernity of transactions in the market. Therefore, it is not possible only by innovating the management mechanism to have a developed market economy at a high level. The high level of the market economy is the result of efforts from many stakeholders/factors, such as large-scale capital accumulation over time, efforts to improve the nation's scientific and technological research and development capacity, efforts to implement division of specialization within the economy, efforts to industrialization and modernization of the

economy, efforts to improve efficiency and competitiveness of the economy, efforts to reform management mechanism to create conditions for the productive forces to develop, etc. Therefore, it is necessary and plausible to develop national renewal plans and consistently implement them to gradually raise the development level of the market economy in our country. We should not highly hope that institutional reform and removal of arbitrary sanctions shall overnight lead to a developed market economy.

However, the reform cannot be underestimated so that the goods-money exchange relations have favorable development conditions. People's belief in money as a means of circulation and the use of money to measure the prices of goods for exchange is a result of the development of human social relations. Markets are formed through the exchange of goods. In turn, the market, through prices, supply and demand, can regulate the behavior of billions of people without the need for a massive apparatus at the expense of the State Planning Commission. Furthermore, under the regulation of the market mechanism, each person feels his or her freedom of choice and voluntarily accepts responsibility for his or her actions through the rewards and punishments of market relations. Thus, the exchange of goods both creates an impetus for development (that is, creative freedom and the reward of the winners in the market), and creates room for the unlimited process of specialization and cooperation. Such a mechanism with so many benefits

is far superior to the rigid, arbitrary planning mechanism of a state agency. However, transactions in the market, including fierce competition for ownership of scarce sources of raw materials, or exclusive monopoly affecting a certain number of customers, pose a potential risk where businesses, driven by profit, might harm each other and both consumers and workers. Therefore, the involvement of the State is necessary to force businesses to operate within a framework that benefits the country, society, and people, especially workers. The State must establish and ensure compliance with regulations to prevent fraud, especially fraud in the financial markets, to maintain fair competition, to protect consumers, and to protect the common living environment, protecting national interests, etc. The wisdom in timely proposing regulations, conscientiousness in monitoring so that those regulations are strictly implemented represented the contributions of the socialist-oriented state for the socialist - oriented market economy can work in practice.

Here, the efficiency and fairness of the State play an important role. As we see, the socialist nature of the State is imperative in the socialist-oriented market economy. That nature, first of all, depends on the socialist nature of the ruling Communist Party, which represents the interests of the working people in leading the State. A Party with a socialist nature in Vietnam as a nation in transition must not only support policies beneficial to workers, but above all, be able to train, educate and lead workers to strive for socialism. Therefore, such Party

must have guiding theory, effective socio-economic development line, sound prestige and ability to persuade people to believe in implementing that line. The Party must also gather the nation's best managers in the state apparatus to successfully lead the development of the country. If workers' trust in the Party is faded, if civil servants as the Party members do not work for the sake of the workers' cause but for partisan interests, and if the Party cannot attract the best talents, the Party's leadership faces many challenges, and of course the effectiveness is not high.

The Party leads the State, but that does not mean the Party works in proxy of the State. The State is an institution, a product of mankind, perhaps with a longer history of development than the market economy and the communist party. In particular, in a republic or democracy, the state has its own principles and operating mechanism that we must adhere to. Therefore, the State of the people, by the people and for the working people in our country must also be organized according to the principles of a modern democratic state, in which the division of power and control of power must be established and designed based on scientific merits, in accordance with the historical tradition, culture and practical conditions of Vietnam. But the supreme principle is that the people must control the power of the State. State agencies must control each other. Above all, the State must operate effectively and efficiently for the national interest, for the benefit of the working people.

In short, developing a socialist-oriented market economy is a realistic and optimal path for the Vietnamese people. However, the Party, State and people remain faced with challenges in working out specific designs of such model to work effectively. However, from the epistemological point of view,

there is no doubt about the chosen path. The point is to be consistent in purpose, flexible implementation, considering sustainable development goals and prioritizing the interests of the working people as the supreme standards for their policy choices.



**THE SPECIFICITY OF
THE SOCIALIST-ORIENTED MARKET
ECONOMY IN VIETNAM**

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The market economy is an economic model currently chosen by many countries to promote economic development. Vietnam is no exception. Although still bearing the characteristics of the market economy in general, the market economy in Vietnam has its own particularity, being a socialist-oriented market economy, which is different in nature from capitalist market economies.

Humanity has witnessed many different economic models such as natural economy, centralized economy (planned economy) and market economy, in which market economy is the model chosen by many countries for the promotion of economic development. It can be understood that a market economy is a type of economic organization based on the principles and compliance with the laws of the market economy. Market economy is an open economic model in which respects and adheres to the laws of movement and regulation of the market, respects freedom of competition, freedom of cooperation, expansion of trade exchanges, and creation of favorable conditions for all economic entities to participate in the market, seek profit, etc.

In Vietnam, although there has been a glimpse of the market economy since the 6th Congress determining to build a multi-component commodity economy, it was not until the 9th Congress that the term "the development of socialist oriented market economy" was officially used in the Party's Official Documents. The view on building a socialist-oriented market economy has

been included in the platform for building the country during the transition to socialism (Revision and development in 2011) by the 11th Party Congress: "Developing a socialist-oriented market economy with many forms of ownership, different economic sectors, forms of business organization and distribution"⁽¹⁾, "The state economy plays a leading role. The collective economy is constantly being consolidated and developed. The state economy together with the collective economy have increasingly become the solid foundation of the national economy"⁽²⁾, "Market factors are created synchronously, various types of markets are gradually built up and developed, both following the laws of the market economy and ensuring the socialist orientation"⁽³⁾. Summarizing the practical development of the market economy in our country, at the 11th Congress, our Party agreed on the perception of the socialist-oriented market economy in Vietnam: "It is a modern market economy with international integration; under the management of the socialist rule of law state, led by the Communist Party of Vietnam, with the aim of wealthy people, strong country, democracy, justice and

(1), (2), (3) CPV's Official Documents of the 11th National Congress, National Political Publishing House, Hanoi, 2011, pp. 73, 73-74, 74.

civilization; advanced production relations in accordance with the development level of the productive forces; multiple forms of ownership and economic sectors, in which the state economy plays the leading role, the private economy is an important driving force of the economy; subjects of all economic sectors are equal, cooperate and compete according to the law; the market plays a key role in mobilizing and allocating development resources, which is the main driving force for releasing productive power; State resources are distributed according to strategies, master plans and plans in line with the market mechanism. The State plays the role of orienting, building and perfecting economic institutional framework, creating an equal, transparent and healthy competitive environment; leveraging tools, policies and resources of the State to orient and regulate the economy, promoting production and business and environment protection; delivering social progress and justice during development cause and in development policy formation. Promoting the role of the people in socio-economic development”⁽⁴⁾.

The socialist-oriented market economy model is not a subjective amalgamation between the market economy and socialism, but rather the grasping and application of the objective movement trend of the market economy in today’s era. Practice has shown that different market

economic development options and models have specific characteristics, depending on the specific conditions and development circumstances of the country - nation. A lagging country does not necessarily have to rigidly apply theoretical principles; nor is it necessary to conform to market economic models available elsewhere, even effective ones, in solving development problems with many of their own characteristics. The Communist Party of Vietnam, on the basis of its awareness of the development law of the times and the reflection of experiences of the world market economy, especially from the practice of building socialism in Vietnam, has issued a policy to develop a socialist-oriented market economy, in order to use the market economy to realize the goal of gradually transitioning to socialism. This is a new type of market economy in the history of market economic development. If it is said that the market economy is “the common thing”, then the socialist-oriented market economy is the “specificity” of Vietnam, suitable to the specific conditions and characteristics of Vietnam.

From the Party’s point of view, it can be understood that the specificity of the socialist-oriented market economy in Vietnam is reflected in the following points:

FIRST, it is a mixed market economic model, operating both according to the market mechanism and regulated by the state.

⁽⁴⁾ CPV: Official Documents of the 12th National Congress, National Political Publishing House, Hanoi, 2016, pp. 25-26.

The market economy in Vietnam is not the difference but it is still “an economy operating fully and synchronously according to the objective laws of the market economy” such as the law of free competition, law of supply and demand, law of value; trade liberalization, etc. International principles and practices in economic management and administration are adhered to and applied in a reasonable and flexible manner. “The market plays a key role in effectively mobilizing and allocating development resources; is the main driving force to liberate productive power”⁽⁵⁾. The market is also the main mechanism for the distribution of the gains of economic growth, in which the income of each person is formed on the basis of and consistent with the results of labor as well as the level of contribution to the economic growth as well as contribution in terms of resources in the process of creating social wealth.

However, such market economy is not a free market economy, but is regulated and managed by the Socialist State of Vietnam, ensuring the socialist orientation of the economy in accordance with each stage of development of the country on the principle of compliance and respect for the principles of the market. The State manages and administers the economy with strategies, master plans, plans, policies, laws, and even with the material strength of the state economic force; implementing regulation at the macro level, “orienting, building and

perfecting economic institutional framework; creating a fair and transparent competitive environment” to ensure the healthy development of the market, complying with the rules of the market economy, and be compatible with the international practices; “Using the tools, policies and resources of the State to orient and regulate the economy, promoting production and business and environment protection, delivery of social progress and justice in the cause of development and development policy formation”⁽⁶⁾. Through economic policies and necessary financial measures, the State highly promotes the positive aspects and advantages of the market economy, and limits and overcomes the negative aspects of the market mechanism, creating conditions for the market to develop stronger and healthier, and protecting the people’s legitimate interests.

SECOND, it is a market economic model with diversified forms of ownership and economic sectors; with land being owned by the people.

The market economy in Vietnam “has many forms of ownership, and many economic sectors”. Economic sectors constitute an important component of the national economy, with “equality, cooperation, competition and development”, in which “the state economy plays the leading role while the private sector is an important driver of the economy”. “The state economy,

(5), (6), (7) Resolution No. 11-NQ/TW, the 5th plenum of the 12th Party Central Committee, <http://www.dangcongsan.vn>, June 9, 2017.

the collective economy together with the private economy are the core to develop an independent and self-reliant economy⁽⁷⁾. All economic sectors operate according to the market mechanism but also adhere to the overall orientation and legal framework of the socialist state.

The choice of multiple ownership forms is suitable for the uneven development level of the production force in Vietnam today in order to maximize the strengths of all economic resources for growth. The State attaches importance to and creates conditions for economic sectors to develop freely and equally, and “consistently implements a business legal regime for enterprises, regardless of ownership form and economic sector⁽⁸⁾. In particular, the state economy must be consolidated and developed in key areas of the economy, in the field of national defense and security, essential social services, etc. thereto other economic sectors do not have the conditions or do not want to invest. The state economy is a tool for the State to perform the role of macro-regulatory and socialist orientation of the economy, to ensure great balances for the economy, control over strategic resources, development of structural infrastructure and public services with heavy investments, low turnover ratio, and profitability yet necessary for the socio-economic development that the private sector does not want to undertake; etc. The private economy is an important

driving force of the economy and will be facilitated for development, in order to exploit all potentials and strengths of this economic sector to promote economic growth. However, the state also manages and orients this economic sector according to the common goals of the country, ensuring the harmony between the interests of enterprises and the interests of the nation.

The socialist-oriented market economy in Vietnam is based on public ownership of the basic means of production, “the land is owned by the entire people, and the State acts as the representative of owners”, implementation of “openness, transparency in the management and use of public land; strengthening supervision, strict management, improvement of the efficiency of land use allocated to communities and businesses⁽⁹⁾, serving the common purposes of the entire nation and the people, “ensuring the State’s right to manage and secure profit as proceeds from public properties and the equal right to access and use public property of all subjects in the economy⁽¹⁰⁾.

THIRD, the distribution in the socialist-oriented market economy in Vietnam is carried out on the principle of “mainly according to labor results, economic efficiency, and at the same time according to the level of capital contribution and other resources, and distribution through the social security and social welfare system⁽¹¹⁾.

(8), (9), (10) Resolution No. 11-NQ/TW, the 5th plenum of the 12th Party Central Committee, <http://www.dangcongsan.vn>, June 9, 2017.(11) Resolution No. 11-NQ/TW, the 5th plenum of the 12th Party Central Committee, <http://www.dangcongsan.vn>, June 9, 2017.

The market economy in our country has diversified forms of ownership, economic sectors, and production and business methods, etc., requiring diversified forms of distribution. In such economy, labor becomes the basis for determining the status and material welfare of each person. Therefore, the distribution according to labor and economic efficiency is the basic form of distribution, as the main and most appropriate distribution principle, in line with the production relations of the economic sectors existing in the country. Besides, the form of distribution according to the level of capital contribution set to optimize mobilization of resources for production expansion and development, and to promote economic growth is deemed very necessary and fair for economic actors. On the other hand, the market economy in our country is a socialist-oriented market economy with the goal not only of economic growth but also of constantly improving people's living standards, implementing social security issues, etc., therefore, redistribution through the social welfare system is also very relevant and reasonable in order to ensure social fairness and equality, contributing to the realization of the goals of the Socialist State of Vietnam. Moreover, to develop the market economy, we must also accept the increasing income gap, the growing gap between the rich and the poor, and accept the fact that there will be groups of people who are disadvantaged and unable to compete in the vortex of the market mech-

anism, and prone to risks, etc. The role of the Government is to pay attention to that issue, to limit the deep social division, etc. by redistributing social income. This is the preeminent feature of the distribution system in the socialist-oriented market economy in Vietnam.

FOURTH, the market economy is led by the Communist Party of Vietnam, and managed and regulated by the socialist rule of law of Vietnam for the goal of "wealthy people, a strong nation, democracy, justice and civilization".

The market economy in Vietnam is a market economy, organized and led by the Communist Party of Vietnam and managed by the Socialist State of Vietnam, with highly social orientations, toward ensuring maximum benefits of the majority of the people and sustainable development of the country; respecting and creating conditions for free economic actors to develop while taking effective measures to limit the defects of market spontaneity. Such economy is governed by socialist economic laws whose basic content is to ensure full welfare and the free and comprehensive development of all members of society, for the benefit of the great majority of populations, "ensuring everyone's equal access to development opportunities and conditions, and participation in and gaining benefits from the development process"⁽¹²⁾.

The socialist-oriented market economy in Vietnam has always been oriented to pursue the goal of “wealthy people, a strong nation, democracy, justice and civilization”; mobilizing the strength of all economic sectors as well as of the whole society for economic growth, gradually improving the living standards for the majority of the people. However, the implementation of economic development goals is not at all costs, in a hurry but must be considered and calculated to suit the country’s conditions in the direction of rapid, effective and sustainable development; linking the goal of economic growth with ensuring national independence, national sovereignty, environmental protection, etc. In other words, that market economy is not for the sake of economic development at detriment of sacrifices national interests, national independence, natural resources and environment, etc. Economic growth must be associated with social progress and justice along the process of development and in respective development policies; Equity must be associated with social equality, equity should go beyond merely the fair distribution of benefits, to deliver equity in terms of development opportunities - ensuring that all members of the community have equal opportunities for development, fulfilling legitimate and fair benefits from the results of their labor and social contributions, and at the same time have the responsibility to contribute to the common

development of the nation’s prosperity; etc. This represents the humanity and unique advantages of Vietnam’s socialist-oriented market economy.

FIFTH, it is a “modern market economy with international integration”⁽¹³⁾.

This feature shows that the market economy that our country has built is not something different from the market economy in other countries, but also an integral part of the world market economy, selective adoption of the achievements of the development of the market economy of mankind”, “the legal system, mechanisms, policies and market factors, all types of markets are complete, synchronous, and consistent, closely linked with the economies of the world”⁽¹⁴⁾, abiding by the world’s common principles, conventions, agreements, treaties and standards for development and implementation of liberalization on international scale for cooperation in trade, investment, finance, services, labor and employment, participation in global value chains and production networks; participation in the transfer of modern scientific and technological achievements, patents and inventions among nations, etc. The market economy in our country has been undergoing the process of international integration, expansion and promotion of relations with countries in the region and the world in order to take advantage of

(12), (13), (14) Resolution No. 11-NQ/TW, the 5th plenum of the 12th Party Central Committee, <http://www.dangcongsan.vn>, June 9, 2017.

many opportunities for cooperation and assistance in many aspects from other countries, especially developed countries; proactively and actively, quickly and effectively making good use of opportunities and domestic and foreign resources for economic growth, and at the same time taking measures to increase reserve capacity of the economy, coping well with the risks and challenges of the integration process.


Thus, the socialist-oriented market economy in Vietnam will have specific features and differ in nature from the capitalist market economy.

FIRST, the capitalist market economy is based on the capitalist private ownership regime, which is a market economy that serves and protects the interests of the bourgeois minority. The socialist market economy is based on the entire people and collective ownership regime with the aim of serving the interests of the working class and the working people, eliminating the oppressive and exploitative regimes.

SECOND, the distribution in the capitalist market economy is mainly concerned with the interests of capitalist owners and large economic groups, not towards the interests of the majority of the working class. Even the implementation of social welfare policies in the capitalist market economy is based on the guaranteed interests of the “upper classes” rather than the aim of the capitalist market economy. In the development of the capitalist market economy, the issue of social justice is only posed when the reverse side

of the market mechanism has aggravated social problems, creating the risk of social explosion and threat to the existence of the capitalism. The implementation of welfare policies, solving social problems of the bourgeois governments is limited to the capitalist framework, only seen as a means to maintain the capitalist regime. In the socialist-oriented market economy, the State takes the initiative from the very beginning to resolve the relationship between economic growth and social justice. The issue of social justice is not only a means to develop a market economy but also an objective of the new social regime. The socialist-oriented market economy is not only concerned with high growth rates but also with the improvement of the actual living standards of all population classes, the development of health and education, addressing the poor - rich, sustaining morality, tradition, national cultural identity, protection of ecological environment and delivery of social stability, etc.

THIRD, in the capitalist market mechanism, the state’s intervention, if any, is always bourgeois in nature with the aim of ensuring a favorable socio-economic environment for the domination of the bourgeoisie class, for the sustainability of the exploitative capitalist regime, restraining the contradictions and social conflicts that directly affect the survival of the capitalist regime. In the market mechanism with the management of the socialist-oriented state, the intervention of the socialist state in the economy is aimed at protecting the legitimate interests of the entire working people, ensuring everyone’s



equal access to development opportunities and conditions, for their participation in and benefiting from the development process.

The socialist-oriented market economy is an unprecedented model in man-kind history. However, with its preeminent characteristics and good purposes, a socialist-oriented market economy is an inevitable choice, suitable for the context of the transitional era from capitalism to socialism on a worldwide scale today. However, it should be clearly realized that the process of

building and perfecting a socialist-oriented market economy in Vietnam is not simple, instead it is a long process involving many stages, both exploring and developing constantly in theoretical awareness, and being flexible and creative in practice, responding well to numerous difficulties and challenges, requiring the determination and consensus of the whole nation as well as the activeness and efforts of the whole nation for implementation capacity of local authorities and departments throughout the country.



**SOCIALIST OBJECTIVES
AND SOCIALIST ORIENTATION SET FORTH
IN THE OFFICIAL DOCUMENTS OF
THE 13TH PARTY CONGRESS**

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Right from the founding conference on February 3, 1930, the Communist Party of Vietnam affirmed its goal for bourgeois civil rights and land revolution towards a communist society; at the same time, establishment of the path of national independence and socialism for the entire revolutionary cause of the country. The nation's renovation since 1986 has continued to be consistent with that goal and path; applying and developing creatively the theory of Marxism-Leninism and Ho Chi Minh's Thoughts to build a new awareness of socialism and the path to socialism in accordance with the national and international context today. Through each congress, our Party has made a new development on this fundamental issue by summarizing the realization of the socialist goal and ensuring the socialist orientation in the process of renovation and development of the country. The 13th Congress, held in Hanoi from January 25 to February 2, 2021, is an important milestone.

1. The political reports of the 13th National Congress pays the utmost attention to the theory and practice of socialism in our country. Overall assessment, "Looking back on 35 years of implementing the Doi Moi, 30 years of implementing the Platform for national building in the transitional period to socialism, the theory of the renovation line, of socialism and the path to socialism in our country is increasingly clearly defined and gradually realized. Objectives, characteristics, basic directions and major normative relations in the process of building socialism and national defense have been further supplemented, concretized and developed with significant new perceptions:"

During their life time, the classics repeatedly emphasized that socialism was not a pattern to which life had to be shaped; but a realist movement to replace capitalism. They also loudly warned that socialism must be planted on every real piece of land. Immersed in that

dialectical spirit, the Party and people have clarified and so far identified 8 features of the socialist society in our country, of which the leading characteristic as cross-cutting targets in the philosophy of Vietnamese socialism is for "wealthy people, a strong nation, democratic, equal and civilized society. To this end, the Party has also consistently identified eight basic directions that form the country's path to socialism, both deeply grasping the essence of scientific socialism while sticking to the country's realities and development trend of the contemporary world. Also in reflection of Vietnam's Doi Moi reforms, our Party has made valuable contributions to the theory and practice of socialism by putting forward major relationships that need to be properly understood and effectively resolved in the transition to socialism. So far, 10 of such relationships have been identified, reflecting the vivid, dialectical and regular contradictions in the renewal process in transition to socialism from a pre-capitalist starting

point like in the case of Vietnam in a given particular international context as it is today.

The official documents of the 13th Congress have concretized the results and achievements in realizing the goal of socialism and ensuring the socialist orientation over the past years. Economically, “perception of the socialist-oriented market economy is getting more and more complete; State-owned enterprises have been gradually rearranged and reorganized more effectively; the collective economy is gradually renovated in association with the market mechanism”. From a socio-political perspective, it is required to “continue to promote socialist democracy, better exercise the people’s right to mastery in deciding major and important issues of the country”; “building a socialist rule of law state with more progress, more effective and efficient operation; the organization of the legislative, executive and judicial apparatus continues to be perfected”. In terms of Party building, “the work of protecting the ideological foundation of the Party, fighting against wrong and hostile views, which is led and directed in a concentrated way, for positive changes to be materialized. The work of Party building in terms of ethics has been promoted, contributing to the training of revolutionary moral qualities, against individualism, opportunism, materialism and “group interests”. The Party’s leadership method continued to be renewed; subjected to many regulations promulgated and implemented to ensure the Party’s leadership role. In terms of theoretical thinking, “the theoretical system of the renovation line, socialism and the way to socialism in Vietnam continues

to be supplemented and developed”.

2. In addition to the realized results and achievements, with a spirit of seriousness and high responsibility, the 13th Congress clearly pointed out the limitations and weaknesses in realizing the goal of socialism and ensuring the socialist orientation during in the cause of renovation.

The mid-term conference of the 7th Party Congress, held in January 1994, identified four threats to the renovation process and the social regime, including: lagging further behind economically; deviation from socialist orientation; corruption and social evils; plots and actions of “peaceful evolution” of hostile forces. Nearly 30 years later, the 13th Congress (2021) continues to warn: Against “the four dangers that pointed out by our Party remain existent and even more pressing.” In order to be more specific on the severity of such threats, the Congress frankly outlined limitations and weaknesses in each field:

Regarding the economy, “the Socialist-oriented market economic institutional framework yet has many obstacles and inadequacies that have not been resolved”. Despite efforts of the Party to identify the characteristics of the socialist-oriented market economy, the specific criteria of each feature have yet to be clarified, causing inconsistencies in interpretations, modes of implementation and evaluation. The policy of building appropriate progressive production relations, raised from the 11th Congress (2011), has not been clarified so far in

terms of content, criteria, methods, etc. The process of rearranging and equitizing state-owned enterprises has progressed slowly and in many cases has been seen as privatized. In terms of industrialization and modernization with the mission of creating a material and technical basis for socialism, after 3 decades of implementation, as the Congress assessed, “the set goal has not been achieved”. Thus, both the infrastructure of the socialist economic pattern (productive relations) and the material and technical base of socialism (advanced industries) have been retarded and unsuccessful. Perhaps this is the most worrying limitation and weakness when it comes to the goal of socialism as well as the socialist orientation in our country.

Socio-cultural development, as limitations and weaknesses pointed out by the Party for the first time, “has shown signs of not paying due attention to ensuring development in the socialist direction in terms of cultural development, ensuring social welfare, delivery of social progress and justice in the development of the market economy”. In the nation’s cultural, spiritual and educational life today, there is almost no mention of the building of a socialist human being, the creation of socialist values, and the socialist culture, communist worldview and life outlook... Instead, there are countless strange and new styles and trends. Spiritual activities are often turned into superstition. Preserving and promoting traditional cultural heritage in many cases has become the restoration of old customs. Absorbing the outside culture in many places

has been merely clumsy and servile copying. An advanced culture imbued with national identity as the spiritual foundation of socialist society in Vietnam cannot steadily advance in such context of socio-cultural life and cultural - spiritual work characterized with a lack of direction!

Regarding the construction of the Party and State government, the limitations and weaknesses are also very worrying. The official documents of the XIII Congress have clearly stated: “Principles of Party building, especially the principle of democratic centralism in some party organizations, remain far from being strictly enforced or even are violated. The leadership capacity and combat power of some party organizations are still inadequate. The Party’s leadership approach to the political system, with the State as a focus, remains unresponsive for innovation purposes and even shows areas of confusion. The mechanism for power control within the Party and State is far from complete, synchronous, efficient and effective. The government is the “fundamental issue of the revolutionary cause,” as warned by V. Lenin right from the stormy years of the early twentieth century. On this fundamental issue, the XIII Congress has pointed out very frankly: “Building a socialist rule of law state has not yet met the requirements of socio-economic development and management of the country in the new situation.”

As we all know, in his will testament dedicated to the entire Party and people, President Ho Chi Minh emphasized the ultimate priority for “above-all mention of

the Party”, showing his perception of this as a decisive factor, a matter of life and death of the revolutionary cause. The Party is not able to maintain its status as the leading and ruling vanguard, unless it is constantly consolidated as an organized combat staff; as the embodiment of morality and civilization; truly worthy to be the “descendant” of the nation; representing the wisdom of the nation and the times etc. Today, our Party has more than 5 million members, but there are almost no profile cases of graft and corruption inspected and exposed by regular activities of the Party’s affiliates! Is the case due to no available information, no awareness, etc. or a mindset of withdrawal from fighting, avoidance to stay in safe heaven ect.? Either it might be the case, this shows a very worrying sign of declining combat strength of Party organizations, inadvertently sowing a negative seed for “corruption, wastefulness, bureaucracy, and recession” in terms of political ideology, morality, lifestyle, “self-evolution”, “self-transformation” internally as well as complicated social conflicts; “Corruption still poses as one of the threats to the survival of the Party and our regime”, as warned by the 13th Congress.

In terms of theoretical thinking, the limitations that have not been overcome for many years include: “The Doi Moi continues to pose many theoretical and practical problems that need to be resolved in order to lead the country to develop faster and more sustainably in the socialist orientation, particularly requiring relevant awareness of and effective addressing the

major relationships”. Some of the 10 major relationships are directly associated with determination of the goal of socialism and ensuring the socialist orientation, namely: The relationship between economic renovation and political renovation; the relationship between adherence to market rules and ensuring socialist orientation; the relationship between the development of productive forces and the building and gradual improvement of socialist production relations; the relationship between the State, the market and society; the relationship between building and defending the socialist Vietnamese nation; the relationship between the Party leadership, the State governance, and the people’s mastery, etc. These are issues containing dialectical contradictions arising in practices of Vietnam, which is unprecedented in the history of the world socialist movement, and given no solution even in the legacy of Marxist-Leninist classics. The Party and people of Vietnam have strived for awareness, reflection for lessons learned in terms of theory and take initiative in finding a timely and effective solution!

3. In order to further promote the results, achievements and overcome the limitations and weaknesses mentioned above, for the development of the country from now to the mid-twenty-first century, the 13th Party congress emphasized the guiding view for “Consistency for, adoption and development of Marxism-Leninism and Ho Chi Minh’s thoughts, steadily pursuing the goal of national independence and socialism; the Party’s renewal policy for the construction and defense of the Vietnam Fatherland

The goal of the entire Party and people is to “strive to make our country a developed, socialist-oriented country by the mid-twenty-first century”.

To achieve that noble goal, it requires consistency to “the socialist-oriented market economy with multiple forms of ownership and economic sectors, in which the State owned enterprises play the leading role; as a modern market economy with international integration, fully and synchronously operating according to the rules of market economy, under the management of the socialist rule of law state led by the Communist Party of Vietnam; ensuring the socialist orientation for the goal of wealthy people, strong nation, democratic, justice and civilized society, and suitable to each stage of development.

On the social level, the Party congress clearly stated the requirements for: “Full awareness and assurance of socialist orientation in social policies. Strengthening management of social development, ensure social progress and justice, and sustainability in social policies, especially social welfare, social security and human security; paying more attention to ethics education, creative capacity and core values, especially education of patriotism, national identity and pride, nurturing the desire to develop a prosperous and happy nation, firmly defending the Vietnam Fatherland, development and implementation of a roadmap towards free tuition for high school students, firstly for primary and elementary school students, completing mechanisms and policies for

the development of non-public training institutions in line with the trend of the world and Vietnam’s conditions on the basis of ensuring social justice and basic values of socialist orientation. In the perception and settlement of the major relationships, it is required “to pay more attention to ensuring the socialist orientation; building and perfecting progressive and appropriate production relations”; developing culture, realizing social progress and justice, protecting the environment; defending the Vietnam Fatherland. Essentially, this represents the thinking and perspective on the task of building the socialist human-being- an indispensable factor for the cause of building socialism as leader Ho Chi Minh repeatedly emphasized.

In another fundamental aspect, the 13th Congress pointed out: “Promoting socialist democracy, ensuring the people’s right to mastery”, further development and perfection of the institutional framework of democratic practice in the spirit of the Platform for national building in the transitional period to socialism (supplemented and developed in 2011) and the 2013 Constitution, ensuring the people’s full control of the State power, further development and improvement of the Vietnamese socialist rule of law State of the people, by the people and for the people led by the Party as the central task of the political reform, developing the working class in both quantity and quality; improving the political agility, education level, professional expertise and skills, industrial and labor morale, and discipline to adapt to the fourth industrial revolution,

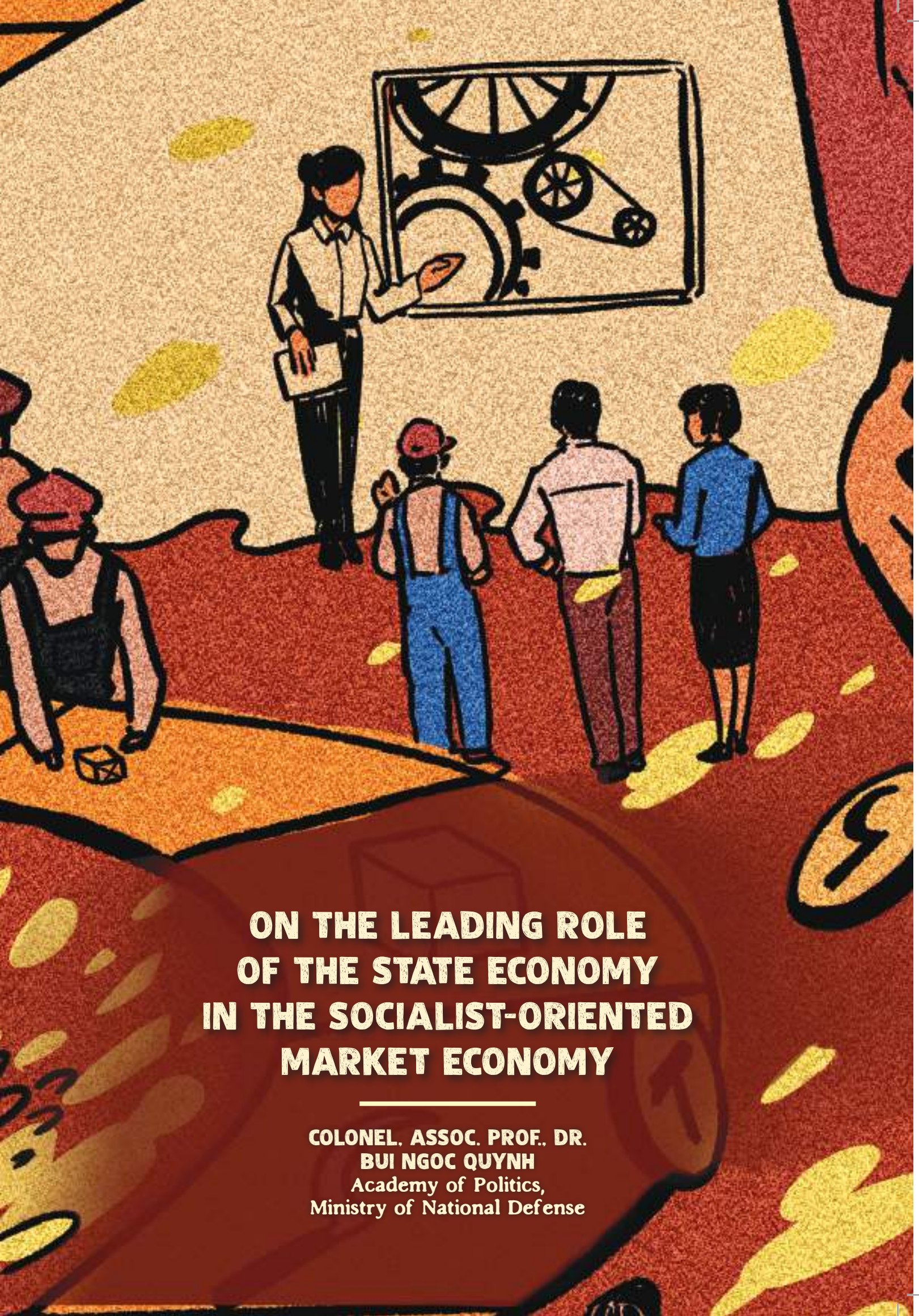
strengthening education of revolutionary ideals for the youth, promoting the socio-political positivity of veterans and retired public security officers in building and protecting the Party, State, people and the socialist regime, protecting the ideological foundation of the Party, combating false and hostile views.

The 13th Congress paid great attention to the work of building the Party as the decisive factor for the successful delivery of the goal of socialism and the socialist orientation in the renovation process; firmly adhering to the principles of Party building, improving the sense of combating, education, and persuasion in propagating and studying Marxism-Leninism, Ho Chi Minh's thought, the Party's viewpoints and lines, and the State's policies and laws; consolidation of the practical review, theoretical research, and completion of the theoretical system on the Doi Moi policy as well as the theory on socialism and the way to socialism in Vietnam; strengthening the revolutionary moral education, regular, extensive and effective implementation of studying and following Ho Chi Minh's thought, morality

and style in association with the performance of political tasks, further development and proper implementation of the mechanism for "The Party leadership, the State governance, the people's mastery" and delivery of the motto "for awareness, consultation, implementation, inspection, supervision, and benefits by and for the people".

Socialism and communism represent the spring of humanity with no exploitative, oppressive, and unjust regime; with affluent and full material life; a healthy and civilized spiritual life; where people are fully developed, in transition from the kingdom of necessity to the kingdom of freedom etc. Reaching such perfect spring requires a fierce and vital struggle against capitalist and imperialist forces and even the internal threats in our lives. The 13th National Party Congress with many unique thoughts and views on the goal of socialism and socialist orientation in the process of national reconstruction and defense from now to the mid-twenty-first century, has shed further the lights on the way forward for the Party and the people to go to this beautiful spring!

All quotes in the article are taken from the 13th National Party Congress News page of Nhan Dan Online: <https://nhandan.com.vn/tin-tuc-su-kien/cong-bo-cac-du-thao-van-kien-trinh-dai-hoi-xiii-cua-dang-621133/>



**ON THE LEADING ROLE
OF THE STATE ECONOMY
IN THE SOCIALIST-ORIENTED
MARKET ECONOMY**

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The state economy playing the leading role in the socialist-oriented market economy in Vietnam is an objective necessity, but it needs to be carried out step by step to suit the development level of the economy. It can be seen that, according to the ideas of the classics of Marxism, it is not advisable to immediately establish this leading role in all areas of the economy and completely abolish economic forms of private property.

POINT OF VIEW OF K. MARX AND F. ENGELS ABOUT PRIVATE AND PUBLIC OWNERSHIP

State economy is a concept used to refer to the economic sector owned by the State, directly managed, operated and organized by the State through production and business activities through state management agencies as its representatives. However, the nature of the state economy in different economic regimes is not the same. In monopoly capitalism, the state economy is essentially the economic sector of the monopoly capitalist as a collective. In Vietnam, the state economy is owned by the entire people and managed by the State. According to Article 53 of the 2013 Constitution: "Land, water resources, mineral resources, resources in the sea, airspace, other natural resources and properties invested and managed by the State are public property owned by the entire people and managed by the State representing the owner"⁽¹⁾.

Thus, it can be seen that the state economy is an open concept with a broad connotation, covering not only state-owned enterprises (SOEs) but also the entire physical and

economic infrastructure owned by the entire people and managed by the state representing the people's ownership in many forms, even their components cannot be fully calculated in monetary terms, such as the value of land and mineral resources in the territory of Vietnam.

During the transition to socialism, the state economy was formed by many ways, such as state investments in new construction, acquisition or nationalization of the private sector. The birth of the state economy during the transition to socialism is an objective necessity, due to the nature of the socialist society as a new social system. Socialism must be built on the basis of a system of advanced material and technical foundations and public ownership of the main means of production.

In terms of the movement logic of the historical process, the birth of that foundation is the result of negating the very foundation of the capitalist society as an outdated

(1) System of legal documents

society through the path of transformation and revolution. In terms of production relations alone, the birth of public ownership is through the transformation of production relations based on capitalist private appropriation of the means of production, which is written by K. Marx and F. Engels in the "Manifesto of the Communist Party" as to abolish private property.

While scientifically arguing for the inevitability of the abolition of private property in general, K. Marx and F. Engels argued that this is the self-negation of the premises created by the development of a society based on private property. That is to say, the birth of private property is due to the level of development of the productive forces, and in turn, the development of the productive forces is the cause of the change of one regime of private property by another, and ultimately the capitalist private property as the highest form of private property shall create the preconditions for its own abolition.

Earlier, in the work "German Ideology", K. Marx and F. Engels pointed out: "For us, communism is neither a state to be created, nor an ideal, but a reality thereto we conform. We call communism a realist movement that abolishes the present state of affairs. The conditions of such movement are created by existing premises"⁽²⁾. Thus, it is impossible to abolish private property at any stage of development of social production according

to the subjective human will; instead the communists set themselves only the task of abolishing private property by abolishing bourgeois property.

K. Marx and F. Engels also pointed out that the abolition of private property does not mean the abolition of property in general. The form of property that the communists do not advocate abolishing is the individual ownership of the workers. In its history, private ownership was born out of the development of private property. But the difference between those two types of ownership is clear. Individual property is "property generated by individuals as a result of his/her labor"; while private property is "a mode of production and possession of products based on class antagonisms, on the basis of which one exploits the other", of which bourgeois property is the ultimate and most complete expression. In societies based on private property, the private property of a few is developed by depriving the majority of others of private property. Communism makes "private property no longer possible to turn into bourgeois property".

According to K. Marx, in "Capital" series, capitalist private property is the first negation of individual private property based on one's own labor. But capitalist production produces its own negation, with the inevitability of a natural process. It is

(2) C. Marx and F. Engels: Complete set, National Political Publishing House, Hanoi, 1995, Volume 3, page 51

the negation of the negation. This negation does not restore private property, but restores private property on the basis of the achievements of the capitalist age, on the basis of cooperation and public appropriation of land and the means of production produced by labor itself. Thus, the socialist public ownership system not only does not eliminate individual ownership, but restores the individual ownership of workers, which has been negated by private ownership. Personal property itself represents not only labor products as means of consumption as long popularized in Marxist books and newspapers, but also ownership of the means of production which is no longer a private form, but existent in unity with social property and is restored on a higher basis. In the socialist public ownership system, social property must be understood as the property of individuals who have joined together, "the whole production has been concentrated in the hands of the individuals who have joined together", as a consortium "in which the free development of individuals sets the condition for the free development of all".

The process of abolishing private property shall be gradual, not instantaneous, as F. Engels pointed out in "Principles of Communism". Therefore, the manifestations of the utopian conception of the abolition of private property in the transitional period toward socialism are completely foreign to the views of the Marxist classics.

So, with what forms and steps will such a socialist public ownership system come

into being? Adoption of the scientific approach to communism, K. Marx and F. Engels in "The Communist Manifesto" pointed out that the construction of socialism in general, and the establishment of public ownership in particular, must be carried out with measures suitable to specific historical conditions. In different countries, such measures will, of course, vary greatly. They have outlined a number of measures that are supposed to be applicable to advanced countries. It is expropriating land and handing over rent to the state spending fund; abolition of inheritance rights; application of a highly progressive tax; confiscation of property of exiles and rebels; concentration of credit and means of transport in the hands of the state; rise of more state factories, etc. But please bear in mind that, those are the things that 20 years later they supposed to be revisited, prompting such revision in many ways nowadays. With that spirit, it is clear that the construction of the public ownership regime must be carried out on the basis of flexibly applying forms to suit the specific situation, which must not be rigid and mechanical, especially for cases of countries with no experiences of capitalism.

As pointed out by K. Marx and F. Engels, real socialism was born and built in the condition that for countries without developed capitalism, the establishment of socialist public ownership must be a process of creative exploration of appropriate forms and steps. Not only that, small-sized private ownership is widespread and capitalist development, as V.I. Lenin once said, is

inevitable. Finding the “transitional forms”, “intermediate stages” to get to public ownership is absolutely necessary, not only for a shift from the capitalist mode of production to the socialist mode of production, but also to move the small-sized production forward to socialism. For such a great and unprecedented cause, the limitations and shortcomings encountered in the process of trial and errors are unavoidable. But absolutizing the form of public ownership according to the Soviet model, and especially turning the practice of abolishing private property and establishing public ownership in the specific historical conditions of Russia into a universal law principle of socialism is the mistake of subjectivism and dogmatism.

Admittedly, in the practice of building socialism, the abolition of private property and the establishment of public ownership

have utopian shortcomings and mistakes. But it would be a great mistake to consider it as a natural consequence of the utopia as viewed by K. Marx and F. Engels on the abolition of private property in “The Communist Manifesto”. Realizing the goals of socialism on the basis of private property is an illusion of the socialist movement described by them as “conservative socialism or bourgeois socialism”; which today has collapsed with the failure of its most ideal model. So, according to K. Marx and F. Engels, in socialism, shall the private property in general without bourgeois property be maintained? That is the concept of “petty bourgeois socialism” that they have criticized, exposing its reactionary and utopian character. In the condition that the multi-ownership economy is still objectively necessary, how to get to socialism, unless public ownership in various forms is to be made the foundation.

BASIC SOLUTIONS TO PROMOTE THE LEADING ROLE OF THE STATE-OWNED ECONOMY

From the above analysis, it can be seen that building a public ownership regime with its specific forms of ownership by the entire people and collective ownership is a long-term revolutionary transformation process. In such countries as Vietnam in transition to socialism without going through the capitalist regime, the process is even more time-consuming. Accordingly, determining the leading role of the state economy, as well as eliminating the economic sector of private

ownership, is inevitable and objective, but such thing must be carried out step by step in accordance with the development level of the economy. Any expression of request for immediately establishing the leading role of the state economy all areas of the economy and completely abolishing economic forms based on private property is contrary to the ideas of the Marxist classics.

In order to meet the requirements of international integration, at the same time further promote the leading role of the state economy in the socialist-oriented market economy in Vietnam. It is necessary to synchronously and drastically implement the following solutions:

FIRST, speeding up the restructuring of state-owned enterprises (SOEs). Based on the guidelines and policies of the Party, policies and laws of the State and the tasks of socio-economic development from time to time, it is required to conduct a review and clearly define the number and scope of industries/sectors with SOEs for planning SOE restructuring, equitization and divestment of state capital.

Performing comprehensive review and assessment of the current situation and classification of SOEs, projects and investment with state capital and assets in enterprises for restructuring and handling appropriately. Resolutely dealing with those of loss-making and inefficient investment projects. Clarification of responsibilities and strictly handling violations of related organizations and individuals which cause SOEs and investment projects to suffer losses and waste.

Compliance with the law, respecting the market mechanism, implementing the roadmap for equitization and state capital divestment as approved by competent state agencies. Adoption of advanced methods for asset valuation in line with market mechanisms; ensuring that the state's capital, assets and enterprise value are fully,

reasonably, openly and transparently valued. Completing the institution framework of pricing land, tangible and intangible assets in equitization according to the market mechanism.

Completing legal systems of asset management before arranging equitization or state capital divestment from enterprises. Completing and improving the efficiency of existing institutions to support the restructuring of SOEs, equitization and divestment of state capital in enterprises.

SECOND, further innovating mechanisms and policies so that SOEs can truly operate according to the market mechanism. State-owned enterprises should participate in the implementation of political and social tasks assigned by the State as it in a mechanism for the State to place orders, conduct competitive selection with openness, well-established identification of budget, costs and responsibilities and interests of the State and SOEs to ensure no compromise to the business efficiency of SOEs. Economic and financial relations between the State and SOEs, especially rights and obligations, must be fully and transparently implemented in accordance with the law and market mechanisms.

Elimination of policies/measures for direct administrative intervention and subsidies for SOEs and unequal treatment against enterprises in other economic sectors, especially the access to the resources, credit, land, investment and business opportunities, finance, tax, etc.

Promoting the leading role of SOEs in the formation and expansion of the supply and value chains in the country, the region and the world. Mitigation of fragmentation and non-transparency in production and business by SOEs, especially economic groups and state-owned corporations.

THIRD, renovation and improving the efficiency of the management system and the capacity and quality of the management staff of SOEs. Development and adoption of a corporate governance framework with principles consistent with international standards in SOEs, especially economic groups and state corporations; going hand in hand with training, fostering and improving the management and administration capacity of officials and creating a healthy and effective corporate governance environment.

Consolidation and development of a number of state-owned economic groups with multiple owners for a large scale, efficient business performance, gaining regional and international competitiveness in a number of key industries and sectors of the economy for perfecting the state-owned economic group model according to international practices. Resolute establishment of effective internal control and governance systems in preventing, detecting, containing and handling law violations and conflicts of interest. Clearly defining the tasks, powers and responsibilities of the management positions in the management, administration and operation system of SOEs; ensuring responsibility associated authority, while

raising standards, conditions and responsibilities of independent members in the Board of Directors.

Perfecting the systems of economic incentives and leverage in close connection with improving the accountability, discipline, morale, openness, transparency of SOEs. Adoption of a salary, bonus and remuneration mechanism for employees and managers of SOEs in line with the market mechanism. Treatment to SOEs' managers which should be different from the regime applicable to public servants and public employees. Widely deploying competitive, open and transparent recruitment exams for recruitment and appointment of management and executive positions and other job positions in such enterprises.

FOURTH, improving the management capacity and efficiency of the State over SOEs. Improving the State's function for SOE management. Conducting review for improving the legal system, mechanisms and policies applicable to SOEs. Improving the capacity, effectiveness and efficiency of the function of inspection, examination, audit and supervision by state management agencies applicable to SOEs. Strengthening the leadership, inspection and supervision of the implementation of approved plans and projects for equitization and divestment of state capital.

Perfecting the organization so that the State can function as owner of SOEs, shares and capital contribution of the State in enterprises. The State fulfills the

owner's responsibilities towards SOEs, shares and capital contributed by the State in enterprises. Ensuring the autonomy in the operation of SOEs according to market principles. Respecting the independence in exercising the rights and responsibilities of the Members' Council, Board of Directors,

Chairman of the Members' Council, General Director, Executive Board of SOEs so that the operation and governance of SOEs can be carried out properly with transparency, accountability, professionalism and effectiveness.



A SOCIAL SAFETY NET FOR A PEOPLE-CENTERED ECONOMY IN VIETNAM

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Building a social safety net has been determined by the Party and the State of Vietnam as an important task in national development and a good part of the political regime. In recent years, the social safety net has contributed to social well-being, economic development and the people. However, there remains limitations which need to be improved in order to upgrade the social safety net toward a people-centered economy in Vietnam.

SOCIAL SAFETY NET AND PEOPLE-CENTERED ECONOMY

As indicated by Oxfam, an economy must be designed and implemented in order to meet diverse needs of people, at the same time protection for the planet. Oxfam indicates that it is a people-centered economy with the purpose of providing equality, justice and sustainability; social advance is brought up to people without destroying the environment and respect to paid and non-paid jobs. In this economy, governments must build policies toward ensuring justice, equality for all including women and children. A people-centered economy first and foremost must ensure equality to opportunity and income and care for the environment and other social values⁽¹⁾.

One of the keys in the people-centered economy is ensuring the right to social safety for those with minimum income and access to fundamental social services. In one's life, it is not always the income which is ensured to meet basic needs. Due to old age, sickness, accidents and loss of working

ability, disasters and loss of harvest, etc. one may not have or have the income declined. So how can life be afforded and basic needs are met under such instances? As it was, people used to respond to risks by ways of insurances, saving for the potential loss of or declined income, family support such as parent supporting children, children to children, and among family members, etc. they may use the help from relatives and communities when they are in need, though not all of those are workable as always. In many cases, accumulated income cannot cover for the lost or declined income which is not to mention many people cannot save enough due to low income. Help from family and community as they cannot always help each other due to no or low income. In addition, due to improvements in production and society, workers and hired laborers tend to increase in quantity, families tend to get smaller, a decline in relation among families, relatives and communities tend to incur lower incomes among those and hence the

(1) A. P. Butt, J. Remme, L. Rost, S. A. Koissy-Kpein "Exploring the need for gender-equitable fiscal policies for a human economy: Evidence from Uganda and Zimbabwe", Oxfam Research Reports, 2018

support for one another, putting a bigger risk on the majority of laborers in the case of oldness and sickness, etc. which is why a social safety net is born to ensure income for those with lost or declined income due to oldness, sickness, unemployment or due to other circumstances.

According to the ILO, “social welfare is a protection which society provides to individuals and families to ensure access to health care and income, especially in the case of oldness, sickness, unemployment, disability, accidents, maternity or lack of care”⁽²⁾. To meet the multiple needs of people, social welfare is turned into social safety nets which often include:

EMPLOYMENT SUPPORT

Employment support allow workers to have jobs and income and hence the self-reliant social safety. Any social safety net would aim to provide opportunities for working people, connecting workers to enterprises, changing jobs, improving capacity for workers so that they can find, change and self-create employments. Social safety nets would focus on supporting income for the marginalized, the poor and women. For working people, social safety net is the most important instrument for self-sustaining employments. In many countries, employment support and poverty reduction often is organized from central to local with many agencies and agents to participate

in which an authority with the supervision and advising role are often that of the labor and employment. The employment support often operates under the support from State budget and contributions from individuals and organizations.

SOCIAL INSURANCE

Social insurance serves as a buffer net in case the workers cannot work, or lose jobs due to sickness, maternity, occupational accidents or retirements. In any of those cases, they will need social insurance to pay for the declined income. Social insurance plays a central role in the social safety net which mitigate risks of lost or declined income. Social insurance often is organized by layers from central to local. Main source of resources is incurred from mandatory or voluntary social insurance contributions, charities or investments, etc. benefiting to the social insurance are insurance contributors.

SOCIAL SUPPORT

The social insurance system plays a key role in ensuring income in the event of old age, illness or loss of income, provided that they must participate in social insurance. However, in many cases, individuals and households do not or have no conditions to participate in social insurance (example: people with disabilities, the unemployed and poor people). In addition, the livelihoods of individuals and households may encounter some unusual risks outside the scope of

(2) ILO: “Facts on Social Security”, ILO.org

social insurance such as natural disasters, crop failure, etc., which also cause individuals and households to lose income, and falling into the poverty trap. The social assistance system then acts as a third safety net to support individuals and households. Social assistance is a direct subsidy in cash or in kind to the poor or vulnerable individuals and households⁽³⁾, usually provided for from the State budget⁽⁴⁾. The social assistance system is often organized in a variety of ways, including the participation of the State, social organizations, community institutions, etc.

SOCIAL SERVICE SUPPORT

Employment, social insurance and social assistance are all aimed at ensuring income for the population. However, besides income, one of the social security rights of people is to be provided with basic social services, such as health, education, clean water, housing, information, etc. Besides, having access to basic social services also aims to create opportunities for individuals to improve their capacity and develop human capital so that they can have jobs, income and ensure social security for themselves and their families while contributing to socio-economic development. Usually, when there is a lack of income, on the one hand people may not be able to enjoy basic social services. On the other hand, in some places, especially in remote, isolated and

economically disadvantaged areas, even if people have income, it may still be difficult for them to access basic social services or only access to basic social services with poor quality. Meanwhile, this is also an essential need of the people. Access to basic social services is not only a human right but it is also meaningful to social security and national development in the long term because people with education and guaranteed health care will turn into qualified, useful citizens who can have jobs with secured incomes and contribute to improving the quality of human resources.

The components in a social security net are related and interact with each other and work towards performing the functions of the social security net which are aimed at preventing risks, protecting people and promoting development.

Thus, the social security net is a system towards building a people-oriented economy through ensuring income and accessing basic social services for all people, especially focusing on supporting the most vulnerable groups such as the elderly, people with disabilities, women, children and the poor. Building a social security net that covers the entire population to ensure that everyone has the ability to access and enjoy social security is a requirement of a people-centered economy.

(3) C. Arnold, T. Conway and M. Greenslade: "Cash transfers Literature Review," London: Department for International Development, 2011

(4) Barrientos: "Social protection and poverty. Social Policy and Development Programme," United Nations Research Institute for Social Development, Geneva, 2021, page 42

IMPLEMENTING A SOCIAL SAFETY NET IN VIETNAM

The resolution No. 15-NQ/TW dated June 1st 2012 of the 11th Party central committee on “some social policies for the period of 2012-2020” aimed at developing a social safety net for a middle income country with international standards and gradually ensuring better fundamental rights for the people. At the 7th session of the 12th Party central committee, Vietnam communist party has clarified directions and solutions in reforming social insurance through the Party Resolution No. 28-NQ/TW dated May 23 2018 on “reforming social insurance policy”. The resolution pointed out mandatory areas of reforms including:

- 1.** Building a multi-tiered insurance system consisting of 3 layers: The first tier is a social retirement allowance for the elderly who do not have a monthly pension or social insurance. The second tier is basic social insurance, including compulsory and voluntary social insurance based on contributions of employees and employers. The third tier is supplementary pension insurance according to market principles so that employees and employers have more options to contribute in order to enjoy a higher pension;
- 2.** Adjust the minimum period of social insurance participation to enjoy retirement in a flexible way. The pension calculation is adjusted according to the principles of contribution - benefit, fairness,

equality, sharing and sustainability while expanding participation in compulsory social insurance. Strengthen the linkage and support between social insurance policies as well as a flexibility in policy implementation in order to achieve expanding social insurance coverage while increasing the number of workers' participation in social insurance in informal sectors. Amending regulations on payment rates and payment bases to achieve the goal of expanding social insurance coverage;

- 3.** Reform in formulating and organizing the implementation of policies to strengthen confidence and increase the level of satisfaction of social insurance participants in the social insurance system;
- 4.** Implement the adjustment to increase the retirement age in accordance with a roadmap. Overcome the discrepancy of the pension insurance system toward flexible eligibility conditions, stricter regulations on one-time social insurance benefits and an increase in the actual average retirement age. Adjust the accumulation rate to reach the maximum pension benefit rate in line with international practices. Adjustment of pension relatively independent from the wages of working people and changing pension adjustments towards a more sharing manner;

5. Diversify the investment portfolio and structure of the investment of the Social Insurance Fund according to the principles of safety, sustainability and efficiency.

Implementing the directions and policies of the Party, the State of the Socialist Republic of Vietnam has built a legal system and promulgated many mechanisms and policies to better ensure social security for the people including laws and policies on social security as well as separate laws and policies for each pillar and specific contents of social security. On that basis, the State has determined that Vietnam's social security net consists of four main pillars: Employment, social insurance, social support and basic social services.

From the perspective of the covered subjects and the level of benefits, the current social security net of Vietnam is a multi-layered network, similar to the model of the ILO social security. Accordingly, at the first tier, the State ensures minimum security for the people through social subsidies, poverty alleviation and provision of basic social services. Vietnam's welfare model aims to ensure people a minimum living standard, paying special attention to disadvantaged groups such as children, the elderly, people with disabilities, women, the poor and the ethnic minority. However, due to economic development conditions and budgetary capacity, it remains difficult to ensure this minimum standard of living. With the policy of applying the multi-tiered model of social insurance with a social pension at

the first tier set forth by the Party in the 7th Plenum Resolution of the 12th Party Central Committee, Vietnam is aiming to ensure minimum security for the elderly without pension or other incomes. At the second layer is social security based on social insurance according to a mechanism based on payment – benefit and sharing. Employees who pay insurance premiums are of working age and are entitled to social insurance benefits in the case of sickness, contracted diseases, occupational accidents or maternity leave. When they are old, they are entitled to a pension and a survivorship when they pass away. In addition, there is an additional social insurance on the third tier for those who want higher social insurance benefits.

Over the years, Vietnam's social security network has contributed to ensuring social security and building a people-oriented economy in Vietnam, specifically:

FIRST, the social security net has contributed to support job security and poverty reduction. As a result, many workers have jobs, guaranteed livelihoods and incomes. The rate of poor households in Vietnam has decreased rapidly. The percentage of poor households applying the multidimensional poverty assessments decreased from 9.9% in 2016 to 4.8% in 2020.

SECOND, as the coverage of social insurance increases, it better ensures the interests of the insured, especially improving the benefits for women giving birth, sick workers and the unemployed. The number of people participating in social insurance increased

from 13.05 million (in 2016) to 16.10 million (in 2020)

THIRD, with more attention being paid to social assistance is paid more attention, it has contributed to ensuring the life of the elderly and the disabled, people affected by natural disasters, etc. Social assistance has been gradually socially attracted voluntary participation of the communities and businesses. Up to now, the social assistance policy has covered almost all target groups of all ages, 3% of the population and 100% of social protection beneficiaries are eligible for regular monthly social allowance. 100% of people affected by natural disasters, floods, hunger and epidemics receive unscheduled assistance in a timely manner.

FOURTH, the provision of basic social services has increasingly improved including expanded access to basic social services such as education, health care, clean water, etc. Thanks to these efforts, Vietnam is a country with a high human development index (HDI) and poverty reduction. In poverty reduction in general and multidimensional poverty in particular have seen impressive results with health insurance covering more than 80% of the population.

Despite the improvements in social safety net, there remain a lot of limitations which need to be improved further in the coming time:

FIRST, the coverage of the social security net is in fact narrow. Although aiming to ensure social security for the entire population, in

reality, Vietnam's social security net has only covered a part of the population. This is reflected in the low coverage of social insurance despite improvements in the recent years. On the one hand, the social insurance coverage rate is just over 30% of the workforce while unemployment insurance participation rate is also insignificant. On the other hand, the number of people participating in voluntary social insurance accounts for only a very small portion out of the total number of employees participating in social insurance. After more than 10 years of implementing the voluntary social insurance policy (from 2008 to now), only about 300,000 people have participated in the plan. Meanwhile, the informal sector currently has a record of about 40 million workers.

Social allowances have only covered a part of those who need the support. The new social security mainly covers the poor, the disabled, the helpless, those unable to take care of themselves and the elderly over 80 years old; workers in the formal economic sector participating in social insurance. This means that a large part of the workforce has not participated yet in social insurance and are not enjoying the benefits from social insurance, now and in the future until they reach the retirement age. Moreover, a large proportion of elderly people in retirement age do not have social insurance and have not received social assistance. Social support for disabled people and helpless orphans is still limited. People who are at high risk of poverty and near-poor have not received much attention and support. Thus,

there is still a very large proportion of people at high risk of poverty, people working in the informal sector with unstable jobs and incomes who have not yet enjoyed social security achievements. This undermines the meaning of social security. Therefore, it is necessary to accelerate the expansion of social security coverage through expanding social assistance and social insurance, including compulsory and voluntary.

SECOND, the current model of social security remains potentially unsustainable in the light of potential population aging. If in 1996, there were 217 people paying social insurance premiums for a pensioner, by 2011, there were only 10 people paying for a pensioner. The percentage between revenue and expenditure of the social insurance fund is decreasing rapidly. With the current growth rate of social insurance spending, if the model is not redesigned, social insurance spending will soon exceed revenue, leading to the risk of shrinking the Social Insurance Fund. Meanwhile, receiving one-time social insurance tends to increase among employees, especially workers in enterprises and industrial zones, affecting the insurance fund and increasing the number of people who do not have insurance coverage as they reach retirement age. The financial source for the implementation of health insurance also depends too much on state budget.

A demand for social security increases rapidly due to population aging, increasing awareness of social security, expanded coverage of social benefits, social pensions, etc. all have created some great pressure

on the state budget, the main source of finance for social assistance (and a part of social insurance).

THIRD, the level of social security support in the current model remains low and a part of the population has not yet been guaranteed a minimum standard of living. State budget spending on social security from the central budget accounts for a small proportion of the gross domestic product (GDP) and total State budget expenditure. In the period of 2012 - 2018, the proportion of spending on social security accounted for 2.44% of GDP and 8.66% of the total State budget expenditure.

The spending norms for implementing policies are still very low and not enough to ensure a minimum standard of living for the people. While the number of localities who can rely on their own budget remain small, except some particular cases, hence spending on social security from the local budget is generally limited. In addition, the efficiency in using resources for social security assurance is limited due to small resources but they will have to be spent on various programs and policies. The management and supervision of the allocation and use of resources is ineffective leading to waste and loss of resources and hence negatively affecting the effectiveness of policy implementation.

Social assistance only covers a part of the targeted audience. The level of financial assistance remains low and not enough to ensure the minimum living conditions for

beneficiaries. Many beneficiaries such as the lonely elderly, elderly with no income... have not yet received benefits or social pensions.

Access to basic social services is limited in remote areas, to the ethnic minority

areas and poor households. In many places, there is still a shortage of schools, health clinics or roads. The percentage of households with concreted houses and clean water remains low. The quality of social service provision in many places is limited.

IMPROVING THE SOCIAL SAFETY NET FOR A PEOPLE-CENTERED ECONOMY IN VIETNAM

In order to improve the social safety net in Vietnam towards a people-oriented economy, it is necessary to build a multi-layered social security net on the basis of the ILO social security model.

At the first level is basic social security which provides basic security, income security and basic living conditions for people. Social security is affirmed as a basic human right and the first layer in the social security model is responsible for ensuring the basic level of security for all people. In fact, the first layer ensures basic social security targeting the most vulnerable population in terms of security, including children, the elderly, the disabled who live without income, or the poor and the unemployed or underemployed who do not have the ability to self-guarantee social security. Basic social security guarantees these people access to basic welfare services, even though they may not be able to contribute

In the social security network in Figure 1, the basic social security layer consists of 4 parts:

FIRST, universal health care through universal health insurance coverage. All people in the society are entitled to medical care and have health insurance payable to them when they are unfortunately facing sickness. For those who have jobs and income, they must pay the compulsory health insurance and receive care through health insurance. For those who have no or lack of income, they are supported in whole or in part in order to buy health insurance from the Health Insurance Fund, from subsidies of the State budget or from other funding sources.

SECOND, social security for children. Children are the future of the country and they are guaranteed with the minimum security rights such as the right to food, adequate nutrition, clothing and access to basic social services, such as education and health care, housing, clean water, information. Minimum social security for children will focus mainly on the following objectives: To ensure that children do not go hungry or face adequate nutrition, to reduce the rate of malnourished children; to ensure that children of sufficient age can go to school and enjoys the


educational universalization; children under 6 years of age receive free medical care in all cases; 100% of orphaned and helpless children are cared for at social protection facilities or raised by voluntary individuals and households. Custodians of orphans are provided with a fostering allowance from the Child Care Fund (taken from the state budget and socialized sources)

THIRD, social security for the elderly, disabled, and people unable to work. The elderly and disabled are a group of people who have no source of income due to health conditions. Some elderly people are entitled to a pension due to the contribution they made during the working years. For the elderly without a pension and the disabled, social security basically guarantees a minimum income for this group through social pensions or social benefits. Funding sources come from the social pension fund, support from the State budget and other sources which are socialized and from other fundings. Due to the high proportion of elderly people without a pension in our country (over 50%), it is not feasible to immediately provide social pensions or pension benefits. Therefore, reforming the welfare model in the coming time is oriented toward expanding the social assistance by roadmap which is associated with the financial security of the state budget and mobilizing resources from the society. Along with that, it is necessary to raise the retirement age and at the same time encourage the elderly to do jobs that are suitable for them in order to have more income, improve exercise and hence, leading a healthy and happy life.

FOURTH, social security for the poor, the unemployed or underemployed. This is a group of people who have working capacity but they don't have the employment opportunity, facing lack of work or jobs are not enough to secure their livelihoods. Social security basically supports this group of people to help them secure an income while they are unemployed or underemployed through certain subsidies such as unemployment benefits, and at the same time create favorable conditions for them to access, change jobs, earn income or become self-employed for a secured living. However, social security for this group of people needs to be strictly managed in order to avoid abuse and intent dependency.

In fact, basic social security at the first tier mainly focuses on the disadvantaged groups such as orphans, poor households, elderly people without pensions, people with disabilities, etc., who are unable to secure basic livelihoods. In fact, the first layer of the social security model is aimed at those already determined in the employment support and poverty reduction system; social support system and basic social service delivery system. For those with working ability and income when they face risks and retire, their benefits tend to be determined in the layer 2 and 3 of the social security system.


At the 2nd layer, the social security is based on workers' compulsory or voluntary contributions. The pillar of the layer 2 is the social insurance system based on the contributions of employees and employers.



Accordingly, all employees and employers participate in the social insurance contributions at the prescribed rate and they are entitled to social insurance benefits in case of loss of income due to illness, diseases, loss of working capacity, maternity or after retirement. The level of social insurance benefits is partly based on the contribution itself and partly on the principle of sharing among the groups participating in social insurance. The payment-enjoyment regime ensures fairness between the public and private sectors, between compulsory and voluntary social insurance. In addition to the social insurance scheme, this group of people often have conditions to enjoy basic (and advanced) social services, employment support and social assistance when they may face with risks.

If the second layer is based on compulsory and voluntary social security according to a predetermined level, the third layer is enhanced social security for individuals and households who want to enjoy higher social security. Households and individuals can buy more social insurance to have a high pension when they are older or they can buy additional health insurance for better care. They can also contribute to good social services in the form of socialization.

With this safety net, all people are guaranteed minimum social security. Every one is guaranteed with income and access to basic social services. This is the foundation for building a people-oriented economy in Vietnam.



**THE COMMUNIST PARTY OF VIETNAM'S
THEORETICAL DEVELOPMENT
AND PRACTICE OF BUILDING SOCIALISM
FROM THE EARLY 20TH CENTURY
TO THE PRESENT**

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In the past 35 years of the Doi Moi, the Communist Party of Vietnam's awareness and experience in implementing socialism has been constantly improved, reinforced and developed. Entering the 21st century, these are raised to a new height. In the context that our Party is reviewing and consolidating progress toward the 13th Party Congress, this article focuses discussions on the development of awareness and practical experience of our Party on building socialism in Vietnam.

The 9th Congress of the Communist Party of Vietnam (in April 2001) is the congress which was opened in the first year of the 21st century. The Congress reviewed in general the process of Vietnamese revolution in the 20th century, reviewed 5 years of implementing the Resolution of the 8th Party Congress (1996-2000), 10 years of implementing the socio-economic development strategy (1991-2000), and drawing four big lessons through 15 years of renovation (1986-2000): Firstly, in the process of renovation, one must persist in the goal of national independence and socialism on the basis of Marxism-Leninism and Ho Chi Minh 's thought. Second, innovation must be started with the people, for the benefits of the people, in line with reality and with creativity. Third, innovation must combine national strength with strength of the times. Fourth, the Party's direction is a decisive factor which determines the success of the renovation cause.

The 9th National Party Congress set out the national development strategy for the first two decades of the 21st century with the general direction of: bringing into play the strength of the whole nation, continuing innovation, accelerating industrialization and modernization, building and defending socialist

Vietnam. The Party Congress determined that the common goal of our country's revolution in the first decade of the 21st century is "national independence associated with socialism, enriched people, strong country, fair, democratic and civilized society (a new concept introduced is democracy). More importantly, at the 9th Party Congress, we have more deeply, fully and comprehensively assessed the position, the role and the thoughts of President Ho Chi Minh. The Congress also pointed out the difficulty and complexity of the socialist revolution process in our country. So it was an inevitable fact that Vietnam had to go through a long transitional period with many stages and forms of economic and social organizations in this process. The Congress affirmed that the development of a socialist-oriented market economy is the general economic model of the entire transitional period. It clarified the role and motivation for the great unity of the people, of the question of democracy, of paying attention to the legitimate interests of the people; it pointed out the main content of the early years of the 21st century: the struggle to protect national independence, the fight against poverty and backwardness and to overcome the situation of a poor and underdeveloped country, successfully implementing industrialization and modernization under

socialist orientation economy and toward making Vietnam a prosperous socialist country.

The Congress raised the foreign policy to a higher level, more comprehensive, that is “Consistently implementing a foreign policy of independence, self-reliance, openness, multi lateralization and diversification of international relations. Vietnam is willing to be a friend and a reliable partner of countries in the international community, striving for peace, independence and development”⁽²⁾. This direction has been concretized in the Resolution of the 8th Plenum of the 9th Party Central Committee with a new and consistent assessment on the issues of partners and objects, which set out positions and orientations for many policies and foreign activities conducted by the Party and State in the new period. It can be said that the 9th Party Congress (in April 2001) was an important step and perfection for the path of building socialism of the Communist Party which was proposed in the previous Party congresses.

The 10th Congress of the Communist Party of Vietnam (April 2006), as following the consolidation of a number of theoretical and practical issues over a period of 20 years of reform, affirmed that the Doi Moi process had recorded great achievements of historical significance. An awareness on socialism and the path to building socialism has

become clearer; the system of theoretical views on the Doi Moi process, on socialism and the path to socialism in Vietnam has been formed on fundamental areas. The 10th Party Congress outlined eight basic features of a socialist society that Vietnam has built and eight basic directions to build socialism. The 10th Congress and the resolutions of the 10th Central Committee marked an important step forward in the process of developing and perfecting the Party’s Doi Moi policy. What was noted was the 6th Plenum of the 10th Central Committee issued a Resolution on continuous perfection of institutions toward a socialist-oriented market economy.

The 11th Congress of the Communist Party of Vietnam (in January 2011) supplemented and developed the 1991 Political Platform clarifying further eight basic features of the socialist society that the Vietnamese people was building, in which there were eight basic directions and eight major relationships as foundations. The Platform for National Construction in the Transitional Period to Socialism (amended and developed in 2011) marked an important step forward in the Party’s renewal process, in the theoretical awareness about socialism and the path forward in our country.

During the term of the 11th National Congress, the Party and State have amended the 1992 Constitution which was approved by the National Assembly as called

(2) CPV of VN: Political documents of the 9th Party Congress, Hanoi National Political Publishing House, Hanoi, 2001, page 85-86, 119, 119, 123.

the 2013 Constitution. This was an important political-legal document of the State which institutionalized the Party's platform, and the renovation process in a new era.

The 12th Congress of the Communist Party of Vietnam (in January 2016) with the theme "Strengthening for a strong and transparent Party; promoting national strength of the nation and socialist democracy; comprehensively and synchronously promote the renovation process; defend the nation, maintain a peaceful and stable environment; and strive to basically turn Vietnam into an industrialized country with modernity". The 12th Party Congress summed up the 30 years of national renewal and affirmed: "over the past 30 years, our country has achieved great achievements of historical significance. At the same time, there remain many complicated

problems, limitations and weaknesses that need to be addressed in order to continue to lead the country in a faster and more sustainable path"⁽³⁾.

The Congress set out six key tasks during the 12th Party Congress in which were aimed at comprehensively and synchronously promoting the renovation process, bringing into play all resources and motivations toward a rapid and sustainable development of the country.

Looking at the prominent viewpoints and policies in the reform policy of the Party which have been formed and developed over the past 35 years based on practical assessments, summaries and theoretical studies. The following issues can be considered:

FIRST, REAFFIRMING AND DEVELOPING A STRONG FOUNDATION FOR THE RENOVATION PROCESS

Under the banner of Marxism-Leninism, our Party led the Vietnamese revolutionary cause from one victory to another. The more innovation is promoted, the more practice requires a continuous development of theory, especially those in handling the new and mature problems. Stemming from the demands of the Doi Moi process, the 7th Party Congress decided: "The Party

takes Marxism-Leninism and Ho Chi Minh's thought as the ideological foundation and actionable guidelines"⁽⁴⁾. This is an extremely important issue and of great significance for accelerating the renovation and the future of Vietnam's revolution in the new period. This direction was shown at the 9th National Congress (in April 2001), when our Party had more comprehensive

(3) CPV of VN: Political documents of the 12th Party Congress, Party's Office, Hanoi, 2016, page 16, 102.

(4) CPV of Vietnam: Full editions of Party Documents, edition 51, Hanoi, 2007, page 147, 49.

understanding of Ho Chi Minh's thoughts, the inner relationship and the invincible power of Marxism-Leninism and Ho Chi

Minh's Thoughts for successfully leading the renewal process.

SECOND, DETERMINING SOCIALIST ORIENTATION AND THE SOCIALIST MODEL IN VIETNAM

After nearly 35 years of the Doi Moi, the Communist Party of Vietnam has basically planned for the path of socialist orientation in key renovation fields: economy, politics, culture, society, security, national defense and foreign affairs. The Party also pointed out important aspects which may lead to a deviation from socialism on the way in the new context of the country. The key directional thesis is to maintain the leadership role of the ruling Communist Party, improve effectiveness and efficiency of the State's management and promote the people's mastery role; the theory of "shortening development" of the transitional path which meant "bypassing" the capitalism toward socialism in Vietnam in a dialectical and practical manner: from orientation, qualitative to quantitative and periodic and by ways of appropriate roadmaps.

In general, socialist orientation is a process of determining limits and historical "degrees", going from the start to the end point embedded with specific journeys, steps and in accordance with

the laws and principles of socialism. Beyond these limits, such "degrees" would deviate from socialism and inevitably, there could be another social system different from that of the socialist society. In general, socialist orientation is a process of determining limits and historical "degrees", going from the start to the end point embedded with specific journeys, steps and in accordance with the laws and principles of socialism. Beyond these limits, such "degrees" would deviate from socialism and inevitably, there could be another social system different from that of the socialist society.

The Communist Party of Vietnam has determined the socialist orientation in each aspect in the life of the country and increasingly apprehended new perceptions on this fundamental issue. From the socialist model with 6 features (developed in 1991) to the model with 8 features^(*) (amended in 2006 and further developed in 2011) is a great step forward in handling the dialectical relationship

THIRD, THE CREATION OF THE SOCIALIST-ORIENTED ECONOMY

between the popular and the unpopular characteristics of socialism on the basis of Marxism - Leninism and Ho Chi Minh's thoughts in the current time of the Party.

With the Doi Moi renovation process (started in 1986), the Communist Party of Vietnam determined: economic development is the central task, Party building is the key. With a breakthrough stage lied with the innovation of thinking, first of all, the economic thinking, the theoretical work focuses all efforts on understanding, establishing and contributing to the implementation of a multi-sectoral commodity economy which operates according to the principles of economic development with State management. At the 9th Congress (in April 2001), the Communist Party of Vietnam affirmed: the socialist-oriented market economy is the general economic model for the transition period into socialism in our country. It is a form of market economy which complies the laws of the market economy and is guided by the principles of the nature of socialism, which is to serve the interests of the working people and the Vietnamese nation.

Party of Vietnam (in January 2016) has introduced a more complete concept: "Viet-nam's socialist-oriented market economy is an economy that fully and synchronously operates in accordance with the laws of the market economy, at the same time ensure the socialist orientation suitable to each development stage of the country. It is a modern market economy and internationally integrated, managed by the socialist rule of law and led by the Communist Party of Viet-nam with the aim of "prosperous people, strong country, democratic, equal and civi-lized society"⁽⁵⁾.

The construction and development of a socialist-oriented market economy is not an indispensable issue of the renovation process, it is the rightness of the Party's principles and views as well as a requirement of reality for a country with a low starting point to move toward socialism like Vietnam. It lays not only the foundation to ensure independence and self-reliance in politics, society, national defense and security, but also the basic condition and an optimal open

The 12th National Congress of the Communist

(5) CPV of VN: political documents of the XII Party Congress, Party's Office, Hanoi, 2016, page 16, 102. (*) The 8-feature-model is:

1. The first feature: Prosperous people, strong country, and a fair, democratic and civilized society
2. The second feature: The mastery by the People
3. The third feature: A highly developed economy on the basis of a modern productive force and suitable and progressive production relations
4. The fourth feature: An advanced culture imbued with national identity
5. The fifth feature: Its people are entitled to wellbeing, freedom and happiness and are blessed with opportunities for comprehensive development
6. The sixth feature: Ethnic groups in the Vietnamese community are equal, united, respectful and supportive of each other to grow together
7. The seventh feature: A rule-of-law socialist state of the people, by the people and for the people under the leadership of the Communist Party
8. The eighth feature: Having friendship and cooperation with all countries in the world
9. Reference: <https://www.vietnamplus.vn/8-dac-trung-cnxh-ma-nhan-dan-ta-dang-xay-dung/77444.vnp>

environment for a dynamic and vigorous development and sustainability of the economy which goes hand in hand with social justice and social progress, and domestic and international economic integration in a proactive and effective manner.

It is a manifestation to the superiority of the socialist regime when considering the market economy as an effective means and a tool to building socialism for the people if it is compared to other social systems implementing the same market economy.

FOURTH, BUILDING THE SOCIALIST RULE OF LAW GOVERNANCE IN VIETNAM FOR THE PEOPLE, BY THE PEOPLE AND OF THE PEOPLE

The theory on building a socialist rule of law State in Vietnam which is of the People, by the People and for the People is a new development in political thinking, a decisive goal, a fundamental content and a great step forward for the cause of comprehensive renovation. First and foremost, it was put on the political front of the Communist Party of Vietnam. The socialist rule of law State in Vietnam must maintain the nature of revolution and class which is an effective tool to exercise the people's right to mastery with implementing management by the rule of law and following the law; uphold the position and role of legislation, requiring all organizations and citizens in society to respect and abide by the law along with upholding moral values and national culture.

Presently, despite the fact that there remain many shortcomings and limitations, the theoretical work has outlined in a fundamental and profound way, a theoretical system of theory and practical efforts to build a socialist rule of law State in Vietnam. These are issues of position, role, nature, functions, tasks, characteristics, content, model of power, reform of institutions and operating mechanism of the State apparatus, building a contingent of cadres and civil servants, necessary and sufficient prerequisites in a radical and modern direction to ensure the exercise of State power, all in order to serve and guarantee the people's right to mastery under the leadership of the Party following the country's conditions and development process.

FIFTH, RECOGNIZING AND DEVELOPING AN ADVANCED VIETNAMESE CULTURE EMBEDDED WITH NATIONAL ENRICHMENT AND DIVERSIFIED IN ONENESS; BUILDING THE VIETNAMESE PEOPLE'S CAPABILITY TO MEET THE DEMAND FOR RAPID GROWTH AND SUSTAINABLE DEVELOPMENT

On the basis of traditional culture, selectively inheriting the achievements of national renewal and absorbing the cultural quintessence of the mankind, the Communist Party of Vietnam has gradually established a new value system of Vietnamese culture of truly modern nature while planning strategically for the development of culture in the broadest sense with key areas that constitute the organic whole of the new Vietnamese culture. It is both a goal, a foundation and a driving force to bring Vietnam out of underdevelopment, improve the people's material and spiritual life and create a foundation in order to bring Vietnam into basically a modern and industrialized country.

A very new issue is that the Communist Party of Vietnam has comprehensively, deeply and synchronously realized that it must create a harmonious development process, a natural relation to connect economic development with culture to meet the needs for development in the process of industrialization and modernization and ensure efficiency in three aspects: appropriate operating mechanism, continuous institutional reforming and adaptable personnel. Developing culture for the perfection of human personality and building people for cultural development and hence developing Vietnamese people comprehensively.

SIXTH, DEVELOPMENT AND PERFECTION OF INTERNATIONAL INTEGRATION THEORY

The Communist Party of Vietnam created and gradually supplemented and continuously perfected a theory for foreign policy in the period of national open-up and international integration against the context of globalization.

A foreign policy which aims at independence, self-reliance, diversification, multilateralization, the progress and development of the guiding principle: from "Vietnam wants to be friends with all countries in the world community, striving for peace,

independence and development”⁽⁶⁾ (in 1991) switched to “Vietnam is willing to be friend and reliable partner of countries in the international community, striving for peace, independence and development”⁽⁷⁾ (2001) toward Vietnam “is a friend, reliable partner and responsible member of the international

community”⁽⁸⁾ which affirms Vietnam’s position of “proactively and actively integrating internationally”⁽⁹⁾ (in 2011) etc. all have reflected a dialectical and wise approach, a motto, and the art of diplomacy as well as aspirations of Vietnam toward the international community.

SEVENTH, DEVELOPMENT OF THE THEORY OF THE COMMUNIST PARTY OF VIETNAM AS THE RULING POLITICAL BODY

One of the outstanding theoretical achievements after nearly 35 years of the Doi Moi is that the Communist Party of Vietnam has taken steps to light up the basic issues of the ruling by the Communist Party of Viet-nam in the current era.

During the Doi Moi period, the Communist Party of Vietnam paid a great attention to summarizing the basic issues related to all Party's leadership in terms of politics, ideology, organization and morality which covers the entire economic and social life in the renovation process. In particular,

the lessons drawn up from the renovation process raised by the 6th, 7th, and 8th Congresses of the Party remains valid so far, serving as a basis for the Party's 9th, 10th, 11th and 12th Congresses to continue to draw important lessons. It has been a process of learnings which can be reflected through the following 10 aspects: ⁽¹⁾Rule of power; ⁽²⁾The concept of power; ⁽³⁾The ruling foundations; ⁽⁴⁾Strategies for ruling; ⁽⁵⁾The governing content; ⁽⁶⁾The ruling mechanism; ⁽⁷⁾Mode of ruling; ⁽⁸⁾Source of ruling; ⁽⁹⁾The ruling environment; and ⁽¹⁰⁾Threats to the ruling power.

(1), (2), (7), (10) CPV of VN: political documents of the IX Party Congress, Hanoi National Political Publishing House, Hanoi, 2001, page 85-86, 119, 119, 123.(3), (5) CPV of VN: political documents of the XII Party Congress, Party's Office, Hanoi, 2016, page 16, 102.
(4), (6) CPV of Vietnam: Full editions of Party Documents, edition 51, Hanoi, 2007, page 147, 49.
(8), (9) CPV of Vietnam: political documents of the XI Party Congress, Hanoi National Political Publisher, Hanoi, 2011, page 236, 236.

EIGHTH, DETERMINING AND MOBILIZING THE GREAT RESOURCES OF THE VIETNAMESE REVOLUTION

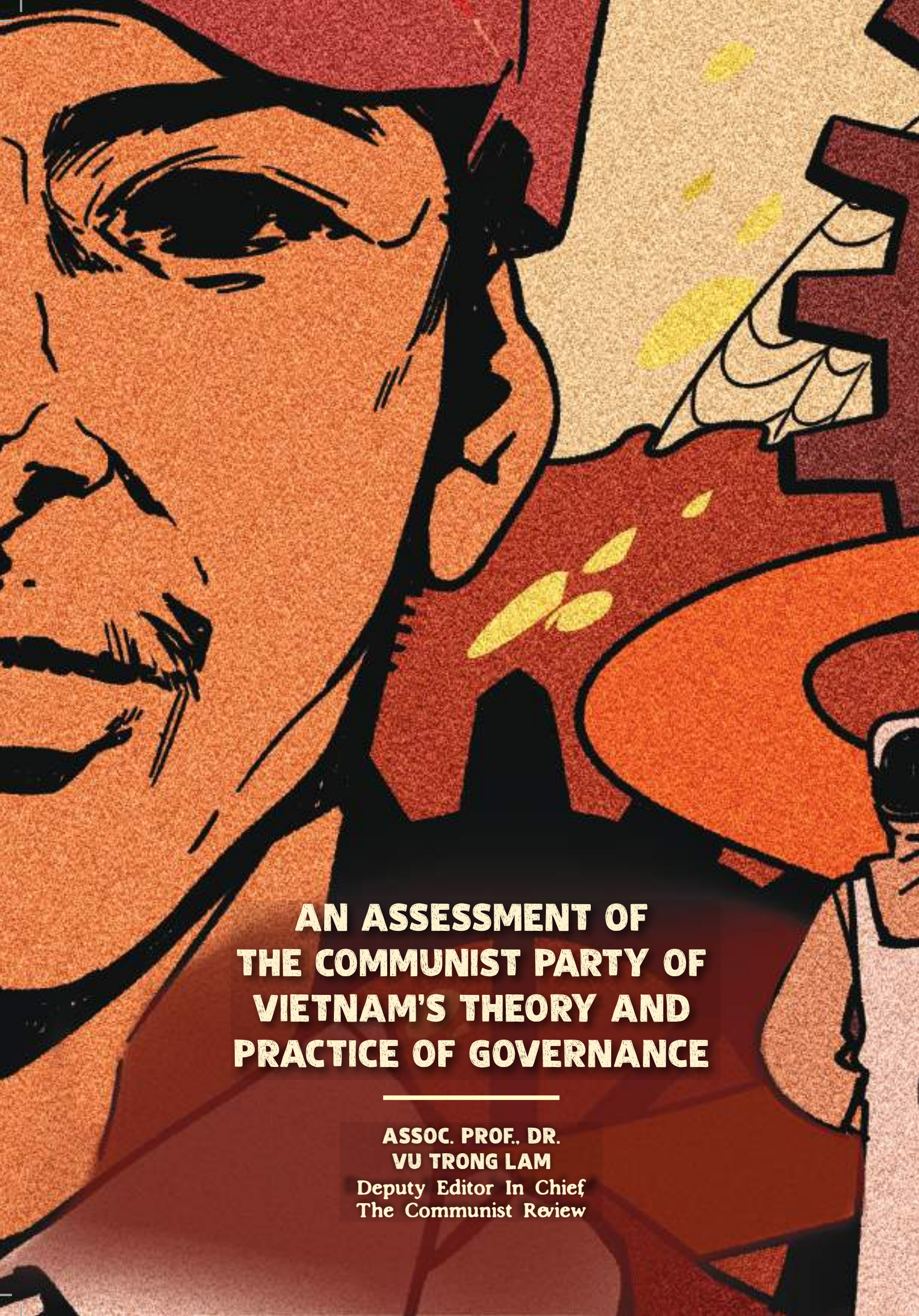
The Communist Party of Vietnam has affirmed that "Inheriting the precious national tradition, the Communist Party of Vietnam has always held up the flag of national unity. This is such a strategic direction, a source of strength and motivation for national reconstruction and defense of the Fatherland. Building the great unity of people is responsibility of the political system and the whole society"⁽¹⁰⁾. It is a new step forward, a new addition in the Party's awareness and action to realize the great unity of the people. It is a goal, a leading task, and a life ethics of the Vietnamese people. This is the creative development of Marxism-Leninism and Ho Chi Minh's thoughts in current time: "Unity makes strength", "Unity is our strength", "It is the key to success" "greater unity comes with greater success".

The motto for action has been the great solidarity of all ethnic groups, religions, classes, economic sectors, genders, ages, both Party and non-Party members, Vietnamese family, regardless of ages, living in the country or

abroad; solidarity on the basis of similarities, openness, mutual trust towards the future; consolidating and deepening the great national unity through the Vietnam Fatherland Front based on a solid alliance between the working class, the peasantry and the intelligentsia, under the leadership of the Party. This presents a great creation, a new development of the Party from the foundation of Ho Chi Minh 's thought.

It has been an affirmation and promoting the great national unity as the "primary driving force" that constitutes the dynamic system of economic and cultural motivation, etc. through the renovation cause, which is a great and new effort of the Party's theoretical work.

Thus, through the practice of leading the cause of comprehensive national renewal, the Communist Party of Vietnam has gradually formed, constantly perfected and led a comprehensive reform of the country toward building socialism at all fronts.



**AN ASSESSMENT OF
THE COMMUNIST PARTY OF
VIETNAM'S THEORY AND
PRACTICE OF GOVERNANCE**

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VU TRONG LAM**

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In socio-political life, political parties play an important position and role. The position, role and influence of political parties differ depending on the polity, organizational mechanism of political power and culture of each country. Going through the practice of leading the country through historical periods, the Communist Party of Vietnam has constantly grown in both quantity and quality, developed in theoretical thinking and capacity to lead the State and society. Under the leadership of the Communist Party of Vietnam, our country has achieved many great achievements, becoming an increasingly developed country, affirming and enhancing Vietnam's position in the international community.

UNDERSTANDING THE RULING PARTY AND POLITICAL PARTIES

1. POLITICAL PARTIES

The formation of political parties began in the late 17th and early 18th centuries, at the same time as the birth of political systems of fledgling bourgeois States in Western Europe and the United States⁽¹⁾. The predecessor organizations of political parties are political groups and clubs. In England, party organizations were conceived in the 17th century⁽²⁾. In France, the development of small groups that are considered new parties was formed, embryonic from the revolution of 1789⁽³⁾, etc. But it was not until the end of the 18th century that political parties started to appear. In the United States, the Democratic Party appeared in 1792 as a group of voters who supported Thomas Jefferson who became President in

1801 (the Republican Party was born later, in 1854).

In the history of human kind when society is divided into classes, conflicts about class interests appear. The history of class struggle has proved that when class struggle develops to a certain level, new political parties can be born. Political parties appeared in the bourgeois revolution and in capitalist society. In the new historical conditions, state power is no longer in the hands of kings and is not passed on to descendants according to the principle of "heredity". The establishment of state power bodies is conducted by the method of universal suffrage and votes.

(1) See NA's Office: Organization and operations of some countries' NAs, Hanoi National Political Publishing House, Hanoi, 2002, page 47

(2) According to T.B. Macaulay - an English politician, the first groups can be called political organizations belong to the Cavaliera and Rouhead: Cavaliers are horse riders who escort King Charles I during English civil war and Rouhead are supporters of the Parliament

(3) See Joseph La Palombara and Myron Weiner: Political parties and political development, Princeton University Press, USA, 1966, page 5

From the view of organization of State power, the political party appeared as a result of the restriction of power of the absolutist monarchy and of the birth of the right to vote (19th century)⁽⁴⁾. In that context, forces that want to seize power and expand their influence in society need to secure for themselves the widespread support of the people. Political parties themselves have become legitimate tools to reflect the interests of different constituencies and to select the elite for the society. These are the objective reasons for the birth of political parties.

The birth and development of political parties are closely related to three basic concepts: the right of existence for different groups in a society, the right of groups to control and dominate leadership, and restriction of the rights of ruling majority party⁽⁵⁾. The concentrated, specific and practical expression of these three concepts is the right to gain power by way of election and by struggle in the parliaments. Some parliaments were born as early as when there was an absolute monarchy such as the British Parliament (in the mid-14th century), French Parliament (in the mid-15th century). That event reflected the relationship of domination, struggle and cooperation between the king, the nobles, the bourgeoisie and the peasantry for a relatively long time before the bourgeois

revolutions. In the United States, the Parliament and the Government were both born through the victory of the national liberation revolution and the establishment of bourgeois government. In that context, political parties gradually emerged and developed.

In the world, there have been many conceptions of political parties, which have both similarities and differences, even quite far apart. Many Western researchers have defined a political party from the perspective of a typical attribute of a political party, that is, the party's role in elections then to participate in State power bodies. Accordingly, the political party category includes the following features⁽⁶⁾:

- + The party exists for the purpose of holding state power. This is an overt, consistent goal for all political parties. Unlike other organizations operating on the political stage, the party openly fights for positions in parliament and government. The role and position of political parties is reflected in their active participation in political life at all stages of political activities such as participation in elections, formation of state agencies, incorporate political decisions into state operations and their implementation.

(4) See NA's Office: Organization and operations of some countries' NAs, Hanoi National Political Publishing House , 2002, page 47

(5) See Ho VanThong: Political systems in capitalist countries today, National Political Publishing House, Hanoi, 1998, page 95

(6) See NA's Office: Organization and operations of some countries' NAs, Hanoi National Political Publishing House ibid, page 48

+ The political party's method of gaining State power is a competitive way in elections and a peaceful way. This is the method highly appreciated by Western politicians. According to them, it is the preeminent political path, consistent with the highest democratic spirit.

+ In order to become a political party, to survive and develop as a political party, political party organizations must have the following components: parties must have their own ideology, an organization is disciplined, recognized and regulated by laws. B. Konstan, who represents the conservative school in England, believes that a party is a collection of people who follow the same political doctrines⁽⁷⁾.

The Soviet political philosopher Anatoli Butenkho defined it as such: "A political party is a political organization that unites the most active representatives of a given social class (or social group) and manifests (in platform and other documents) the fundamental interests of that class. The most important function of the party is to find the directions and means of realizing these interests, and be the organizer of the activities of the class and of its allies⁽⁸⁾."

In history, there has never been a ruling class that voluntarily renounced its political power. Political struggle requires the class to have

clear political goals, a well-organized organization which gathers the classes' forces, mobilize allies to defeat the enemy and win victories. Political parties were born because of the objective requirements of the political struggle between classes. Party is a political organization expressing the interests of a certain social class (worker, bourgeois, peasant, democratic revolutionary parties, etc.). The political party is, in principle, the highest and most coherent organization of the class, the gathering of the most enlightened people about class interests, the most resolute in the struggle to protect the class interests when they both have not yet won political power or have gained political power.

Therefore, the most important goal of a political party is to gather forces to become the ruling party. If there is no desire to take power, it cannot be a political party. In principle, every political party aspires to be the ruling party. The existence of a party engaged in the struggle to gain power, satisfy class interests, and achieve its ultimate goal of becoming the ruling party. When becoming the ruling party, the party formed a government to express the will of its class to dominate the society.

To become a political party, the party must meet certain criteria. La Palombara, one of the most respected American experts on partisanship, highlighted four elements that make up the party:

(7) See Institute of Social Sciences Information: Political studies, Social Sciences Publishing House, Hanoi, 1992, page 43

(8) See Anatoly Butenkho: Party in the socialist political system, APN Publisher, Moscow, 1970, page 19

FIRST, a party must have an ideology for its activities and goals of existence. Parties are essentially ideological representatives or at least must show a certain orientation in terms of the world-view or human life.

SECOND, the party is an organization, that means, there is a relatively long-term human association of its members (party members), an institution by which the party is different from the remaining masses.

THIRD, the goal of the party is to gain and exercise state power. In a multi-party system, it is difficult for the party itself to become the ruling party. One of the basic conditions to become a ruling party is that the party must have an election campaign program and must be trusted by the people.

FOURTH, the parties must make efforts to enlist and attract the wide-spread support of the people.

From the above approach, Quaermonne gives the following definition of parties: "Parties are organized political forces that unite citizens of the same political leanings in order to mobilize opinions about some objective determined to participate in the authorities to direct power towards the achievement of those requirements"⁽⁹⁾.

The function of the political party is expressed in the following basic operational aspects⁽¹⁰⁾:

- + Motivating, organizing, supporting and leading the social classes to fight so as to protect their interests with the highest requirement of the struggle is to win and hold power.

- + Developing appropriate policies that reflect the specific aspirations of each gender and perform the intermediary task between the government and the people in policy adjustment in each period.

- + The implementation and formulation of policies are influenced by the international situation, the political, economic and social situation of the country, so it cannot be subjective and unthoughtful.

- + When a political party presents its programs and policies to the people, that party cannot fail to take into account the competition of other political parties and the demands of genders to be able to participate in the government. Therefore, it is necessary to adjust their intentions, views and requirements.

- + The propaganda and policy implementation of a political party may face opposition and competition from forces in each area and fields of the "interest groups and bureaucracy".

(9) See Institute of Social Science Information: Political studies, Social Sciences Publishing House, Hanoi, 1992, page 44

(10) See Ho VanThong: Political systems in capitalist countries today, ibid

In the capitalist system, political parties have a very important place. Depending on the conditions of each country, the role of the political party may or may not be enshrined in the constitution. For example, the Constitution of the United States does not state the role of political parties, but the Constitution of the Federal Republic of Germany clearly states in Article 21 which defines the task of parties as “contributing to the formation of political will of people” and regulates the state budget funding for political parties. Whether or not it is written in the constitution, in reality, bourgeois political parties are still recognized by the laws of capitalist countries. The ruling bourgeois parties have a particularly important position and role in the bourgeois political system, with a great influence on the domestic and foreign policies of the country.

2. RULING PARTIES

As a general concept, “ruling party” is a term used in political science, implying only a political party which represents a class that is holding and leading the government to run and manage the country in order to implement interests of their class.

The question of the ruling party in the world’s conception is often associated with the state polity, the way of voting, and the relationship of forces in the composition of the parliament. Therefore, the concept of “ruling party” is not exactly the same in

parliamentary and presidential systems. A common concept, popular in the world today, the ruling party is the party that wins the democratic and competitive elections. On that basis, the party forms the government and makes policy decisions in the name of state power, and representing the people. In a parliamentary system, the ruling party is the political party or political coalition that holds the majority of seats in the parliament.

In a presidential system, the party’s presidential candidate is chosen by the people through an election, then that party is called the ruling party. Thus, the ruling party is the party of the president, head of the executive branch, not the party that holds the majority in the parliament. These two powerful actors are elected in different ways. In that power relationship, the power of the president is superior to that of the parliament. The president’s party may have a majority in parliament but it may not neither⁽¹¹⁾.

The ruling party is also a term used to refer to the communist parties in countries where there is only one ruling party, holding the power to lead the revolution in those countries such as the Communist Party of China (although many parties but actually a ruling party), the Communist Party of Vietnam, the Lao People’s Revolutionary Party.

(11) See Nguyen Van Huyen: Ruling Communist Party – Leadership roles and modes of the Party, National Political Publishing House Hanoi, 2011, page 35

The nature of the ruling Communist Party is that the party leads the government and through the government it ensures that power belongs to the people. The people are the masters of the state and the society. The main question for a ruling Communist Party is that it rules scientifically, democratically and according to the law on the basis of maintaining the purity and strength of party organizations, cadres, party members and the close-knit relationship between the party and the people⁽¹²⁾. The ruling party leads the state but cannot equate the Party's power with state power. The power of the ruling party is the political power to set guidelines and directions, while the state power is the power to manage society on the basis of law.

In the process of the party ruling, the existence of a party or parties in each country is due to historical conditions - specific regulations, there is no common pattern for all countries, nor for all periods, and at any time within a country. "The multi-party system or the one-party leadership system has its advantages and disadvantages due to the specific conditions of each country and each historical period. The question is what is the nature of that ruling party? Serving for which social classes?"⁽¹³⁾.

In Vietnam, before 1988, besides the Communist Party of Vietnam leading the government, there were two other political parties: The Democratic Party of Vietnam and the Socialist Party of Vietnam. These two parties are campaigned by the Communist Party of Vietnam to establish, and acknowledge the leadership role of the Communist Party of Vietnam, not an opposing party. In 1988, the two parties declared themselves dissolved after completing their historic mission⁽¹⁴⁾. So in Vietnamese politics there was only one party left, the Communist Party of Vietnam.

In political and legal documents in Vietnam, the term is commonly used, officially with the party as ruler of the State and society. The concept of "ruling party" is used as "the leading party" and therefore "the content and mode of ruling by the Party" is also used as the content and method of leadership of the Party towards the State and society⁽¹⁵⁾. The concept of "ruling party" does not exclude the content "the party leads the government" which is included in it. Without leadership, the Party cannot govern. The Platform for National Construction in the Transitional Period to Socialism (added and developed in 2011) has affirmed: "The Communist Party of Vietnam is the ruling party, leading the State and society"⁽¹⁶⁾.

(12) See Party's Central Personnel and Organization: Some issues about the ruling party and building the party in new context (training manuals for senior party members, 2011), Hanoi, 2011, page 2

(13) Le Huu Nghia: "The leadership role of the Party is in line with the People's Heart, Constitution and Legitimacy"; For the Fatherland Vietnam online edition, <http://vitoquocvietnam.wordpress.com/2013/03/29/vai-tro-lanh-dao-cua-dang-la-hop-long-dan-hop-hien-hop-phap/>, dated 29/3/2013

(14) Vu Trong Lam: "Vietnam Communist Party as leading the State and the Society – a fated reality"; Communist Party Journal, 944, 6-2020, page 42

(15) See Nguyen Van Huyen: The ruling methods of the Communist party, *ibid*, page 35

(16) 11th Party Congress Documents, National Political Publishing House, 2011, page 88

UNDERSTANDING THE RULING PARTY AND POLITICAL PARTIES

1. THE BIRTH OF THE COMMUNIST PARTY OF VIETNAM IS AN OBJECTIVE REALITY LEADING THE STATE AND SOCIETY

The Communist Party of Vietnam is a political party which was born in 1930. It was founded and forged by President Ho Chi Minh. "The Communist Party of Vietnam is the vanguard of the working class, and at the same time the vanguard of the working people and the Vietnamese nation; a faithful representative of the interests of the working class, the toiling people and the nation"⁽¹⁷⁾. "The purpose of the Party is to build an independent, democratic, prosperous and strong Vietnam, a just and civilized society"⁽¹⁸⁾.

After the August Revolution success, on September 2, 1945, President Ho Chi Minh announced the Declaration of Independence, giving birth to the Democratic Republic of Vietnam, today the Socialist Republic of Vietnam, and the Communist Party of Vietnam became the ruling party that exercised leadership over the State and society of Vietnam.

The leadership role of the Communist Party of Vietnam has been affirmed during the revolutionary process of the Vietnamese nation in all fields of politics,

economy, culture and society. The birth of the Communist Party of Vietnam is an objective necessity, meeting the historical requirements of the Vietnamese revolution and nation. The reality of building and defending the Fatherland has confirmed that the correct leadership of the Party is a decisive factor in the victory of the Vietnamese revolution.

The Party led the people to victory in two resistance wars against the French colonialists and the American imperialists; after the war to protect the south-western border and the war to protect the northern border of the nation, our Party initiated the reform policy and led the people to undertake the renovation in all fields. The Party's comprehensive reform policy has met the people's legitimate requirements and aspirations and is in line with the times for an integrated and developed Vietnam. Our Party has determined and led the cause of building a state ruled by law, protecting and ensuring the rights and interests of individuals and citizens. This is the basis for affirming the position and leadership role of the Communist Party of Vietnam in the state and society for the goal of prosperous people, strong country, democracy, justice and civilization.

(17), (18) Vietnam Communist Party's Charter Document, National Political Publishing House, Hanoi, 2014, page 4

The reality of the revolutionary struggle, the protection, construction and development of the country has affirmed the correct leadership of the Party - the leading factor determining the victory of the Vietnamese revolution. The Communist Party of Vietnam has become the leading force of the revolution, the country and the nation since it won power after the August Revolution in 1945. The Party's leadership role in the State and society has been affirmed as the will and aspirations of the people and constitutionally accepted. With practice of leading the country through historical periods, the Communist Party of Vietnam has constantly grown in both quantity and quality, developed in theoretical thinking and capacity to lead the State and society. Under the leadership of the Communist Party of Vietnam, our country has achieved many great achievements, becoming an increasingly developed country, contributing to affirming and enhancing Vietnam's position in the international community.

2. LEADERSHIP OF THE COMMUNIST PARTY OF VIETNAM TOWARDS STATE AND SOCIETY

The concept of "ruling party" was first introduced by V.I. Lenin. Later, President Ho Chi Minh and our Party used a number of terms to talk about the ruling role of the Party such as: Party won the government, Party took power, Party led the government, Party rules in power. In his Will, President

Ho Chi Minh wrote: "Our Party is a ruling party"⁽¹⁹⁾. President Ho Chi Minh considered the issue of the Communist Party of Vietnam leading the State and society as a guiding principle for the ruling role of the Party. The reason why the Party holds such a great responsibility is because the Party's purpose is none other than "to lead the masses to toil and work as a class to fight to eliminate imperialist capitalism, to realize a communist society"⁽²⁰⁾. Therefore, "The Party is not an organization to be the rich officials. It must fulfill the task of liberating the nation, making the Fatherland a prosperous and strong nation and happy compatriots"⁽²¹⁾. "Apart from the interests of the nation and the Fatherland, the Party has no other interests"⁽²²⁾.

President Ho Chi Minh also pointed out that it is necessary to clearly define the functions and powers of the Party and the State. He criticized the fact that party organizations embrace, make excuses and replace specific functions of socio-political organizations. The Party leads by undertakings and policies reflected through directives and resolutions, by persuasion and by inspection, not by replacing the work of the State. President Ho Chi Minh once said: "In our Party and State, there is a strict division like the parts in a watch: the hands and mainspring are different but cooperate closely with each other. Without a part is not possible for the watch to work"⁽²³⁾. Regarding the relationship

(19) Ho Chi Minh: All edition, National Political and Faith Publisher, Hanoi, 2011, page 15, page 622

(20) Ho Chi Minh: All editions, *ibid*, edi. 3, page 5

(21), (22) Ho Chi Minh: All editions, *ibid*, edi. 5, page 289, 290

(23) Ho Chi Minh: All editions, *ibid*, edi. 12, page 335

between the Party and the State, President Ho Chi Minh affirmed that the Party plays a leading role, but the Party must also abide by the laws of the State, especially the Constitution. The Party leads the political system and the entire society but is not standing above or outside of the law.

Party organizations, each cadre and party member must do a good job of mobilizing and helping the masses, respecting the interests of the people, creating conditions for the people to inspect and supervise activities of the Party and the State. President Ho Chi Minh always reminded the Party, State and mass organizations to believe in the people, to rely on the people and to bring into play all potential in the people. Therefore, it is necessary to “keep close ties with the people and always listen to the people’s opinions, which is the foundation of the Party’s forces and thanks to that the Party wins”⁽²⁴⁾.

Democratic ideology and democratic practice is one of the basic cores of Ho Chi Minh’s thought on the State and the leadership of the Party. Building a democratic practice environment through democratic movements in the economic, cultural and social fields in our country is the creation of President Ho Chi Minh. In order to lead in a practical and effective way, and to realize the Party’s guidelines and bring them into life, President Ho Chi Minh instructed leaders to

“go deep, go close to the grassroots, stay at the grassroots to direct the movement. One should not go down to the grassroots in the way of the dragonflies stepping on the water”⁽²⁵⁾.

The ruling position of our Party is reflected in the ruling content and responsibilities of the Party in the political system, in the relationship between the Party and political institutions such as the State, the Fatherland Front, the mass organizations and the whole society. The Party’s ruling content is reflected in the fields of social life, in the Party’s great mission to the nation and its citizens, protection of the revolutionary achievements, and developing the economy, society and culture, striving for freedom and development of each individual.

Clause 2, Article 4 of the 2013 Constitution shows the role and responsibility of the Party to the people: “The Communist Party of Vietnam is closely associated with the people, serves the people, and is under the supervision of the people, and be responsible before the people for its decisions”. By this regulation, the pioneering nature and political-legal responsibility of the Party to the people have been more clearly defined. As the only ruling organization, the Party is responsible to the people for the destiny of the nation and the national development.

(24) Ho Chi Minh: All editions, *ibid*, edi. 5, page 236

(25) Ho Chi Minh: All editions, *ibid*, edi. 15, page 277

The ruling content of the Party is the entire operation of the ruling party, including determination of the political goals of the Party and the nation, the direction of the country's development, the implementation of political and overarching goals, which span comprehensively in all fields of political, economic, cultural, social, foreign affairs, national defense and security life. The leadership of the Party is reflected in the content and method of leadership of the Party.

The Party's leadership content is reflected in the political program, the Party's lines and guidelines, ensuring the political orientation for the country's development, by which it creates a political basis for the organization and operation of the Party, the entire political system and the whole society for the goal of prosperous people, strong country, democracy, justice and civilization.

As a principle, the Party's leadership towards the State is a system of methods, forms and measures which the Party has on the State to realize the will and goals of the Party. The leadership of the Party after it won the government is different from when there is no government. Before winning the government, the Party's leadership was mainly party organizations and party members who directly propagated and disseminated the Party's guidelines and

policies to associations, mass organizations and the masses. Once there is a government, the government is a tool to bring the Party's lines and policies into life, ensuring the Party's leadership over the whole society. In the mode of governance, in addition to propaganda, education and persuasion of the people, the Party leads the government to institutionalize the Party's guidelines into the Constitution, laws and implementation of such policies and laws.

According to some researchers, the concept of "leadership method" implies a very broad content, referring to the general methods and specific methods of the entire process of leadership and ruling of the Party - starting from the formulating guidelines and policies toward reaching the masses and becoming reality with specific efficiency indicators⁽²⁶⁾.

The basic elements of the Party's leadership method include: leadership tools, a system of relationships and a mechanism to link the Party with society, the State, and the political system; system of approaches and leadership styles.

The basis for the leadership stems from the position and role of the Party as a ruling party with a great responsibility for the country's development. The Party is the leading force of the State and political system of Vietnam.

(26) See DaoTri Uc: "Continued renewal of Party leadership in the political system", Online Journal of Communist Party, <http://www.tapchiconsan.org.vn/Home/Tieu-diem/2007/2504/Tiep-tuc-doi-moi-phuong-thuclanh-dao-cua-Dang-doi-voi.aspx>

The Party's leadership and ruling position determines the Party's leadership method. This is not a matter of the Party's own interests, of party member organizations. On the contrary, it is the historical mission and political responsibility of the Party to the people and the nation.

In our country's political system, the Party's leadership over the State and society is reflected in the following basic methods:

FIRST, the Party sets out major guidelines and policies, serving as orientations for the development of the whole society in all fields within a given period.

SECOND, the Party sets out the direction and basic principles to build a real State of the people, by the people and for the people, a State with a regular apparatus, scientific working regulations with a contingent of cadres and civil servants, ministries, civil servants and public employees who have the capacity to organize and manage wholeheartedly for the people.

THIRD, the Party leads through party organizations and party members who operate in organizations of the political system, with reinforcing on individual responsibility, especially those as the head.

FOURTH, the Party unilaterally leads in cadre development and management of cadres; detecting, fostering and selecting the best party members and non-Party people with quality and ability so that they can be introduced to state agencies for approval

through the State's election and selection mechanism and assign the people to work at state agencies.

FIFTH, the Party educates its members to uphold the role of exemplary vanguard; propagandize, mobilize, gather the masses, educate and encourage all classes of people to participate in state and social management; support and actively implement the Party's directions and guidelines, abide by strictly policies and laws of the state. The party leads the political system and is also part of that system. The Party is closely associated with the people, etc. subject to people's supervision while operating within the framework of the Constitution and the law.

SIXTH, the Party carry out inspection of Party members and Party organizations in state agencies and organizations on the observance and implementation of the Party's directions, guidelines and resolutions.

The 13th Party Congress in 2021 has affirmed important results in terms of renewal of the Party's leadership: The Party's leadership role over the political organizations continues to be strengthened, especially with the State in the context of building a socialist rule of law state of the people, by the people and for the people; at the same time, the party promotes democracy, initiative, creativity and responsibility of state agencies, the Fatherland Front, socio-political organizations and people's mastery. The promulgation of the Party's guidelines and resolutions has closely followed

with reality, brought into play democracy associated with planning and directing drastic implementations. The Central Party's Executive Committee promptly issues resolutions and conclusions to implement the resolutions of the Party Congress, especially the key tasks and strategic breakthroughs to be made. The Party's Politburo promulgates plans to implement the resolution, determines specific tasks for all-level Party committees and organizations under the Central Committee. It directs state agencies to supplement, amend and promulgate new laws and relevant legal documents for implementation and bring the resolutions to life.

After all-level Party congresses and the Party's National Congress were held, the Party Committees from central to grassroots levels soon direct for consolidation of leadership positions in all political organizations under Party system.

The functions, tasks, powers, working relationships of committees, standing committees and executive commissions at all levels are increasingly improved. Decentralizing and decentralization of powers are promoted, the responsibilities of collectives and individuals are clearly defined, the Party's leadership is ensured while the proactive role of state agencies, the Vietnam Fatherland Front is promoted together with political and social organizations. The working style and disciplines of many leading agencies from central to grassroots level have been renewed in match with reality and the grassroots.

Administrative reform in the Party is concerned; application of information technology in leadership, direction and administration has resulted in many good outcomes.

The responsibility of cadres and party members as role-model, especially leaders, managers and heads of all levels party organizations is promoted. Propaganda of the Party's guidelines and directions, policies and laws of the State has been promoted while actively directed information and propaganda of the Party toward wrongdoings and hostile views against the party.

The party inspection and supervision are highly valued, especially inspecting the implementation of resolutions issued by the Central Committee, promptly removing difficulties and obstacles, redirecting implementation while disseminating and promoting replicating good, creative and effective ways of implementations.

Nevertheless, the Party's leadership for the political system remains inadequate in terms of innovation. A mechanism for controlling power in the Party and State is not completely synchronous and yet effective. The institutionalization and concretization of a number of Party guidelines and resolutions into laws have not been adequate and timely. The promulgation of resolutions by some party committees and organizations is not tied to the reality and lack of feasibility; the leadership, direction and organization of the implementation of a number of resolutions are not strictly implemented with inefficiency which fails to meet targeted

requirements. Making excuses, doing things for others, ignoring the leadership role of party committees and organizations occur from one place to another. Mobilizing, educating and persuading Party members and people to implement the Party's directions and guidelines, State's policies and laws remains limited. A part of cadres and party members are not role-modelling and setting examples. Administrative reform in the Party remains slow and has not met the party's expectations⁽²⁷⁾.

Responsibility of the Party in leading the State is to ensure that the State operates within the Constitution and laws, protects and ensures the rights and interests of individuals and organizations and the sustainable development of the nation. An assessment to the correctness and prestige of the Party's leadership must ultimately be reflected in the effectiveness and efficiency of the State's operations. The State's capacity, operational efficiency and social prestige are not only assessed by party organizations, but must be controlled and evaluated in an open and democratic manner by the people, the community and the society. The leadership of the Party over the State is not only exercised at the central level but also at the local level, reflected in the relationship between party agencies and organizations with state agencies and

heads of state units and organizations. By formulating and implementing the Party's platform and strategy for socio-economic development, the Party exercises leadership over the State and other institutions in the political system. The Party builds and sets out great directions for socio-economic development, culture, and the fundamentals of domestic and foreign policies. The platform, strategy, correct and scientific guidelines are important conditions for the Party to promote its leadership to the State and the society. That is the role, responsibility, position and the legitimate political power of the Party.

The role of the State is to promptly institutionalize the Party's directions and resolutions regulations and enforcements. Today, the country's political, economic and social situation has changed drastically as it places high demands on society and the State in terms of the leadership of the Party right from when the Party prepared its platform, strategic directions and resolutions.

The Party's leadership methods and manners are carried out by means of propaganda, persuasion and exemplary activities of party members. The Party does not use coercive orders, which is a difference between the Party's leadership method and the State's social management method.

(27) The 13th Party Congress Documents, National Political Publishing House, 2021, page 213-218

The Party exercises its leadership on the principle of democratic centralism, collective leadership, individual responsibility in order to encourage the good, correcting deviations, promoting the spirit of creativity and personal responsibility.

In the reality of leading the State and society, the Party's organizations and each party member need to imbibe and strictly follow the guidance of President Ho Chi Minh: "Our Party is a ruling party. Each party member and cadre must be truly imbued with revolutionary morality, thrift, integrity, justice and impartiality. We must keep our Party pure and worthy of the entrusted leadership and a faithful servant

of the people"⁽²⁸⁾. In the context of building a rule of law state and promoting international integration, the content of the Communist Party's leadership on the State and society is aimed at the noble goal of prosperous people, strong country, democracy and justice, equality, civilization, protection and assurance of human rights and sustainable development of the country. The Party's leadership in politics, ideology, economy and society aims to ensure the smooth operation of the political system, which all state power belongs to the people when regulatory and social organizations operate in accordance with their duties, functions and respecting the Constitution and spirit of the laws.

(28) Ho Chi Minh: All editions, *ibid* edi. 15, page 612



**BUILDING THE VIETNAMESE CULTURE
IN LIGHT OF THE PLATFORM FOR
NATIONAL CONSTRUCTION IN
THE TRANSITION TO SOCIALISM**

**PROF. DR
TA NGOC TAN**
Communist Review

The way to build an advanced Vietnamese culture imbued with national identity is clearly affirmed by our Party in the Platform for national reconstruction in the transitional period to socialism (supplemented and developed in 2011). After 10 years of building a culture in the light of the 2011 Party Platform, Vietnam has obtained comprehensive results in both theoretical and practical awareness. This article discusses some of these great results.

OUR PARTY'S NEW UNDERSTANDINGS OF CULTURE AND PEOPLE

If the 6th Party Congress is the beginning of the Doi Moi process, then with the adoption of the Platform for national construction in the transitional period to socialism (hereinafter referred to as the 1991 Platform for short), the 7th National Congress planned well for the Party's directions on national construction and development in the new period including the one on culture. On the basis of identifying "advanced culture, imbued with national identity" as one of the six characteristics of the socialist model in Vietnam, the 1991 Platform outlines the basic content and direction of building socialism, and building and developing the country's culture in order to "create a noble, rich and diverse spiritual life embedded with humanitarian, democratic and progressive contents".

After 20 years of implementing the 1991 Platform, the 11th Congress of the Party summarized and evaluated the great results achieved along with limitations, difficulties and problems that still need to be resolved. From the lessons learned in the process of summarizing practices, our Party has gained

many new theoretical insights as the basis for supplementing and developing the Party's Platform - the 2011 Platform. In the field of culture, from the consistent point of view of an "advanced Vietnamese culture, imbued with national identity, unified in diversity, deeply imbued with the spirit of humanity, democracy and progress", the 2011 Platform and Resolution No. 33-NQ/TW, dated June 9, 2014, the 9th Conference of the 11th Party Central Committee on building and developing Vietnamese culture and people, meeting the requirements of sustainable development of the country (Resolution No. 33-NQ/TW) has continued to deepen the content, nature, role and importance of culture as well as the relationship between culture with people and that of other areas of the social life.

In the line of renovation for national reconstruction and development, the Party identifies three most important pillars, in which Party building is the key, socio-economic development is the center, and building culture a spiritual foundation of the society. On that basis, the Party's 2011 Platform

emphasized the importance of culture as not only a “solid spiritual foundation” of society but also an “important endogenous force of development”. It is a culture of harmonious development, inheriting and promoting the fine traditions of the country and at the same time absorbing the cultural quintessence of humanity; imbued with humanistic and democratic values, honoring beauty and human dignity; show firm bravery, fight with the bad, the lowly and anti-cultural expressions. Considering culture as an “endogenous force”, a vital condition to ensure the construction and sustainable development of the country, firmly defend the Fatherland, protect revolutionary achievements, and ensuring the goal of rich people, strong country, democracy, justice and civilization, etc. all is a new perception of the role of culture. That new awareness stems from the vivid reality of the revolution to realize the true nature of culture, seeing more clearly the actual ability of culture as a soft power, which can turn spiritual strength into material strength, multiplying material strength into promotion of social development. As President Ho Chi Minh said, culture is a guiding force for each person, for the whole nation, therefore, culture must light the way for the nation. Culture will lead the way of the nation to realize independence, self-reliance and self-reliability.

In terms of direction, Resolution No. 33-NQ/TW sets out requirement that “Culture must be put on an equal footing with economy, politics and society”. This is a requirement that comes from an awareness of the nature and the importance of culture. At the same time, that is also the requirement from the practice of innovation, construction and development of the country.

In fact, while our achievements in politics, economy, national defense, security and foreign affairs are of greatness, our achievements in the cultural field are “unequal” which is still not meeting the requirements of our country with culture as “spiritual foundation” for the national development. Cultural limitations are reflected in many aspects, from ethics, lifestyle, cultural environment, infrastructure to life, management, education and communication or quality of cultural and artistic works, etc. The cause of those limitations stems from the insufficient awareness of the role of culture, leading to a focus on politics, economy and other fields without giving due importance to culture, lack of positive solutions, effective ways of doing things, and under-invested reasonable resources to build and develop the country’s culture.

The 2011 Party Platform also had an important awareness about the role of people. It is the consistent and creative inheritance of our Party’s humane perceptions of the people which is reflected in the purpose of the revolution launched and led by the Party for liberation of the people and for the people’s happiness. But in order to achieve that most common goal, it is necessary to understand the nature and requirements of human problems, the interrelationships between people and culture and in respect of other fields in specific conditions. In the context that the country was colonized and trampled by the imperialists, President Ho Chi Minh wished and also set a specific

goal of the revolution: “Our country will be independent, our people will be free, have food to eat, clothes to wear and have education for everyone”⁽¹⁾. When the Doi Moi process has achieved historical achievements, the people’s material life has been improved, the country’s deep international integration, the role of people has been given more attention to by our Party in a more comprehensive and extensive manner.

Therefore, the 2011 Party Platform affirms: “People are the center of the development strategy and at the same time the subject of development”. The 12th National Congress of the Party continued to affirm that “building a comprehensive development for the Vietnamese people is a goal of the development strategy”. From the perception that human is the decisive factor, the goal of development, as well as the “author”, the most important resource of development, Resolution No 33-NQ/TW states: “Harmonious development between economy and culture; It is necessary to pay full attention to cultural and human factors in economic development”. The 2011 Party Platform also sets forth a requirement to pay fuller and more comprehensive attention to people’s development in terms of material and spiritual life, conditions and ability to develop comprehensively, the protection of legitimate rights and interests in a harmonious relationship with social responsibilities

and citizens’ obligations. The entire process of social development is aimed at “for the true interests and dignity of the humans, with an increasing intellectual, moral, physical and aesthetic level”, respect of human rights and protection in close relationship with “the rights and interests of the nation, the country and the people’s mastery”. This perception is also the inheritance and continuation of President Ho Chi Minh’s Thoughts about “bringing the people’s talents, strength and assets to the people’s benefit”⁽²⁾, based on “full enlightenment and bright labor created by tens of millions of people”⁽³⁾ to build socialism”.

The 2011 Party Platform recognizes the issue of culture in an organic unity with people. People is the most essential expression of culture. Building culture is to serve people and developing the people. As Resolution No. 33-NQ/TW affirms, “Cultural development for the perfection of human personality and human development for cultural development”. Human development, in turn, is influenced by culture which is family, community, cultural politics, economy, etc. all the factors and conditions that create a living environment with daily influencing on the lifestyle, characters and dignity of the people. From this perspective, the 2011 Party Platform sets out the direction of “building an advanced culture imbued with national identity” organically and closely linked with the goal

(1) Ho Chi Minh: Full editions, the National Political Publishing House, 2011, ed. 4, page 187

(2) Ho Chi Minh: Full editions, *ibid*, ed. 5, page 81

(3) Ho Chi Minh: Full editions, *Sdd*, ed. 11, page 93

of “building people, improving people’s lives, progress and hence, social justice”.

Concretizing the 2011 Party Platform, the Resolution No. 33-NQ/TW emphasized the requirement of “comprehensive development of the Vietnamese people with focus on fostering patriotism, national pride and moral lifestyle and personality”, at the same time “directing cultural, educational and scientific activities to build people with scientific world-view, towards truth - goodness - beauty”. In this process, education plays a particularly important role, directly contributing to human development and it must be taken with one step ahead. That is also one of the reasons for our Party to advocate for fundamental and comprehensive reform of education and training, and human resource development, especially the high-quality human resources.

As we look back at the 2011 Party Platform, it can be said that our Party’s new awareness of culture is reflected through a fuller appreciation of the role and position of culture in social life and in relation to the society and other areas; more fully aware of human development issues in close connection with culture. Those new perceptions are the inheritance and creative development of our Party’s basic views and directions about culture in the current context when the country has undergone many changes, life of the people has changed with important improvements. This is also the basis for our Party and State to propose and organize the implementation of many specific guidelines and policies, bringing about great results in building culture and human development.

ACHIEVEMENTS IN CULTURAL DEVELOPMENT IN THE PAST 10 YEARS

A decade of implementing the 2011 Party Platform has brought about great changes in cultural life and human development in our country. Generations of Vietnamese people, from those who were born and grew up through the revolutionary struggle, to those in peace, have connected good traditions, brought into play their wisdom and talents, dynamism, creativity, mastering many scientific and technological advances, quickly adapting to the new economic mechanism, overcoming challenges and difficulties and contributing to national

development. The position of the country, internationally and enhanced partnership with countries in the world today, are clear evidences, vivid expressions, and the most concentrated for the spirit, strength and development aspirations of Vietnamese culture and people. It is also an inevitable consequences of the innovated awareness, the renewal of the Party’s guidelines and the State’s policies, in which it is aimed at creating better and more favorable conditions for the comprehensive development of culture and the Vietnamese people.


First of all, the institution which guarantees legitimate rights, the interests and human development has been increasingly improved in line with “implementing social progress and justice right in each step and each development policy”. The 2013 Constitution institutionalized the rights and conditions to ensure the legitimate interests of the people. Multiple laws have been developed or amended, related to the freedom to create and promote cultural and artistic values; freedom and responsibility for the press and media; the right to freedom of belief and religion or right to non-belief and non-religion; the right to information and democratic practices. Economic development projects must not only be assessed in terms of environmental impacts, but also having to ensure improvements in living standards for the people.

The great achievements from the renovation, construction and national development process, accelerated industrialization and modernization have helped continuously improve the material life - a basic and leading condition for ensuring the quality of life for the development of Vietnamese people. Per capita income in the country in 2020 has increased more than 2 times compared to that in 2010 ⁽⁴⁾. State investments in mountainous, distant and far-remote areas, especially roads and educational infrastructure, has received more important attention. The rate of poor households in the

country decreases from 14.2% to less than 3% in 2020 (adjusted to the multidimensional poverty line). The new rural construction program has achieved important results, contributing to comprehensively improving the lives of people living in rural areas. Health services are increasingly improved in terms of quality and health care access. Health insurance coverage rate increased rapidly, from 60.9% in 2010 to 90.7% in 2020. Vietnam’s human development index improves year by year to which Vietnam has now belonged to the group of countries with average human development index. Protection of living environment, responses to non-traditional security issues such as rising sea level, natural disasters, epidemics, environmental pollution, etc., have been given special attention, all of which started institutional improvements, early forecast, detection and timely resolution.

Toward this end, the spiritual life of Vietnamese people is increasingly improved, enriched and comprehensive. The national education network is strengthened, the educational infrastructure is improved, the teaching staff is well-developed. At the same time, many policies were issued to ensure that people have the right and ability to enjoy life-time education. The development of the education and training system not only contributes to the training of human resources for the

(4) All social-economic statistics for this article are taken from “Summary of the draft report on socio-economic development strategy for the period of 2011- 2020, building socio-economic development for the period of 2021- 2030”.



society, but also play an important factor to the perfection of personality and lifestyle for the younger generations, the masters of the country's future.

The socialist democracy is widely practiced with more and more guaranteed institutions. The implementation of the Regulation on Grassroots Democracy has actively contributed to the realization of people's rights, protection of their legitimate interests in making decisions related to socio-economic development at localities. The "Study and follow Ho Chi Minh's thoughts, morality and style" in association with the implementation of the Resolution of the 4th Plenum of the 11th Central Committee on "Some urgent issues about Party rebuilding", the Resolution of the Party Central Committee, Conference of the 4th Central Committee of the 12th term "On strengthening the construction and rectification of the Party; preventing and repelling deterioration of political ideology, morality, lifestyle and internal "self-transformation" that have promoted the formation of a particular culture in the Party, in the politics embedded with the fundamental principles of honoring and protecting purity, strengths, integrity, justice, impartiality, and exemplary leadership before the people, etc. exercised by Party members, cadres and the entire political system. A series of movements such as "All people unite for building new cultural life", "National targeted program on building new countryside for the period of 2016 - 2020", "All people unite to build new rurality and civilized urbans" or the new cultural family, new office culture, new company culture, entrepreneurial culture, etc.

have contributed to a great change in human development and prevention of negative manifestations, deteriorated social morality while creating a healthy and positive social environment. The fight against corruption and waste, once promoted, not only expose those who abuse their positions and powers in the political system to gain illicit profits but also recovers lost property of the State and the people, and more importantly, it regains and strengthens the people's trust in the Party, the State and the political regime. This has set out the "bad examples" in order to educate on public service ethics for cadres and party members. The Party's renewed views on freedom of religion, belief and non-religion, ethnicity, social security and welfare, etc. are institutionalized in the 2013 Constitution and in the system of laws. Many guidelines and policies in the field of culture - society have been implemented. Traditional beliefs are respected and promoted for the good of the society. Religious practices are allowed according to the State's policies and laws. Ethnic minorities are given favorable conditions for economic development, conservation and promotion of cultural and identity values. Security, order and social safety are guaranteed. The material and spiritual life and social security of people of all religions and ethnic minorities have been improved significantly.

Cultural activities such as literature, art, library, conservation and promotion of cultural heritage are given special interests with valuable and politically significant works and social meanings. In 2019 alone, 59 publishers nationwide have published over 33,000

titles with 400 million copies in print, and thousands of e-books have been released. The press and mass communication system has developed rapidly and is increasingly modernized. Hundreds of radio and television channels are put into operation, many of which are internationally connected with foreign channels. Statistics in 2019 showed that in Vietnam there are 64 million internet users, accounting for 66% of the population, 143.3 million telephone subscribers, equal to 148% of the population, of which the majority of people are using smart phones with direct access to the internet anywhere, anytime in the country. The development of modern mass media creates open and favorable conditions for Vietnamese people to have many opportunities to access

knowledge, exchange and connect culture with other peoples and cultures in the world. Physical exercise activities, public sports and specialized sports have all expanded and achieved many positive results.

It can be said that the results achieved after a decade of building and developing culture are of huge and comprehensive significance. These results are, first of all, resulted from a direct cause of the Party's reformist line on cultural development as stated in the 2011 Party Platform. At the same time, they also originate from the good cultural roots of the country and the hard work of each and everyone with creativity and aspirations for national development.

DIRECTIONS FOR VIETNAMESE CULTURE IN THE COMING TIME

Along with the great results after 10 years of implementing the 2011 Party Platform, the cultural sector has also achieved so many achievements but it also presents with many limitations.

Awareness of culture itself, and the relationship between cultural construction and human development, the role and position of culture in national construction and development, in some places, sometimes are incomplete. The implementation of the Party's policy of building culture in the Platform and resolutions of the Par-

ty Congress has not been implemented synchronously and comprehensively. Some levels of party committees and authorities remains slow in institutionalizing the requirements to put culture equal to politics, economy, defense and security. The construction and identification of the value system and Vietnamese culture or people is inadequate, leading to inconsistency in the development of cultural regulations and standards to be incorporated in politics, economics, in the political and economic spheres or organizations of the political system.

THE FUTURE OF THE VIETNAMESE CULTURE

In practice, although the political ideology, morality and lifestyle in the Party and the society has been improved, there remains complications. An imbalance in terms of cultural enjoyments remains to be seen between urban and rural areas, between plains, midlands and deep and remote areas. Social evils and crimes are still complicated, there are many phenomena contrary to traditional customs, and leading to unhealthy cultural environment. The results in literary and artistic activities, in the preservation and promotion of cultural heritage values, have not kept pace with the requirements and demands of reality. The mass information system develops rapidly but not reasonable; there are signs of commercialization which distracts away from the fundamental principles and purposes in some agencies; the management of new media is not strict; negative and false information on the internet and social media channels cause confusions and frustration to the public. Fighting against wrong ideas, protecting the ideological foundation of the Party and the fine cultural traditions of the nation still face with limitations. Human resources, especially high-quality human resources for the cultural sector, are limited and inadequate. International cooperation in culture has not been effective and has not kept pace with development requirements.

The cause of the above mentioned limitations and weaknesses is mainly due to the fact that some Party committees

and authorities have not paid enough attention to this area, leading to shortcomings in leadership and directions. The concretization and institutionalization of the Party's resolutions are slow and in some cases unfeasible. State management of culture has not been renewed, somewhat overlooked or loosened. Investments in cultural development are not adequate. Not timely grasping new cultural issues to invest in the right direction and effectively or not paying due attention to the training and retraining of human resources in the field of culture, especially for leaders and managers at all levels.

From the requirements of national construction and development in the new period, on the basis of studying and reviewing the results from the implementation of the 2011 Party Platform, it is suggested a number of directions for building a new culture for the country in the coming time.

FIRST, it is necessary to continue to study, clarify, and understand more deeply the Party's guidelines of "building an advanced culture imbued with national identity", for culture to become "the spiritual foundation of society, the goal of the society, and the driving force for sustainable development of the country"; on the relation between building culture and people, developing "culture for the perfection of human personality and human development vs cultural development". On the basis of the guidelines of the Party,

it is to continue to research and clarify the content of cultural development, operating mechanism of the relations between culture and people and other related fields in society, methods of application, as well as solving in practice the tasks of cultural and human development.

SECOND, it is important to pay more attention to the practical implementation of the Party's directions on building culture and developing Vietnamese people. Toward this, implementation should be by steps which are synchronized, starting with concretization of the guideline, formulating policies, building and perfecting institutions, organizational apparatus and renewing the leadership methods of all levels including management methods of state agencies to the assurance of human resources, financial investment, remuneration and rewards and other related conditions. For example, in order to realize the vision of "putting culture on a par with politics, economy, national defense, security and foreign affairs", it is not only a matter of understanding the views, question of financial investment but first of all, there must be clear and adequate institutions, political will and specific measures, etc. As for us to build an industrial park for an economic development project, there must be regulations which bides the work to other conditions as of culture and people such as housing, schools, kindergartens, medical services, parks and entertainment places, etc. If it is the regulate information on the mass media, it is not without specified and clear conditions of information sharing, rights and responsibilities of broadcasters, etc.

THIRD, to formulate and implement a comprehensive cultural development strategy in the new period in order to meet the development of the country which is compatible with specific conditions in the new context, especially the rapid development of the internet and social media networks. Early research and identification of a system of Vietnamese cultural and human values as the foundation and support for the building of cultural standards in politics, in economy and in communities, etc., yet, it is important for a comprehensive development of the cultural pillars such as building new cultural life; promoting creativity, literary and artistic activities; building a positive cultural environment; cultural industry; preserving and promoting traditional values, popular sports and high-performance sports.

FOURTH, building the Vietnamese people in a comprehensively manner in line with embedded patriotism, national spirit, personality, good lifestyle, creative labor skills and strong desire for development. Strengthening the practice of democracy, protecting human rights and legitimate interests of the people, at the same time enhancing social responsibility, national obligations, social order and disciplines. It is important to synchronously create factors and conditions to ensure that people have conditions for comprehensive development, enjoy better benefits and services such as family, education system, health system, welfare services including cultural and physical training, sports and entertainment, etc.



FIFTH, building a cultural industry suitable to Vietnam's socio-economic conditions and cultural characteristics along with building a positive cultural platform, encouraging people-to-people exchanges and international cultural cooperation with the spirit of proactive international integration and selective of human cultural quintessence values as well as disseminating Vietnamese cultural values to the world.

The national reconstruction and development is entering a new period, together with

the 4th Industrial Revolution, rapid movement of economic and political processes, in defense, security, rapid and diverse relations, regional and global connectivity, etc. all of which place high demands on political strength, aspiration for development and innovation. Under such conditions, building an advanced culture imbued with national identity and human development is of utmost importance. This is to embody on the strong spirits and the internal strength, the most important foundation for the country's development.

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