

# SOME PROPOSALS ABOUT THE ROLE OF CO-OPERATIVES IN THE SOCIALIST-ORIENTED MARKET ECONOMY

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After the liberation of the South, the Party and Government wanted to soon stabilize and develop the economy, speed up the socialist reform and decided to organize and develop co-operatives in the areas of industry-handicraft, agriculture, transportation, construction and trade. The State directly instructed to create favorable conditions for co-operatives, connected them with state bodies' business and production in the centrally-planned mechanism. Therefore, co-operatives, production groups came into being and developed rapidly, sometimes represented a high ratio. In 1984, the handicraft co-operatives accounted for 45% of the total industrial output, trading co-operatives: 19.4% of the retail sales in the market, transport co-operatives: 34% of commodity volume and 27% of passengers; agricultural co-operatives and production groups spread all over rural areas. In that time co-operatives really made significant contribution to production, life stabilization, job creating and to the HCMC socio-economic development.

In the period when our economy reached a crisis, most co-operatives became sluggish. When the country transited to the market economy, a great number of co-operatives could not compete and then disbanded, some transformed into limited companies or private businesses, some operated perfunctorily and waited the policy, did not have clear plan. But not a few co-operatives have managed to adapt themselves to the market and made good business performance and survived until now, there are currently over 350 co-operatives engaging in agriculture, handicraft,



transportation, construction, trade and service.

The reason for co-operatives' stagnation as mentioned in the HCMC Party Committee's report is lack of the steering of relevant agencies.

Otherwise, it can be easily seen since we hastily established new production relations, we have turned co-operatives into.

means of collectivizing capital goods, forced laborers to join co-operatives, concurrently applied many subsidized forms of management lacking impetus to encourage laborers to improve management and technique, raise productivity and lacking the propagation to make co-operatives attached to co-op members' benefits. Just because of this, co-operative movement did not have firm foundation. When capital goods were trans-

ferred to members, co-operatives did not change on time, and they thus lost their management role. This led to the movement's crisis when it entered the market economy.

After the Party and Government gave green light to the formation of Vietnam Union of Co-operatives and unions of local co-operatives with the aim to make conditions for consolidating and resuming the co-operative movement nationwide and the National Assembly passed the Co-operative Law, we think firstly the Party Committee should reach consensus about viewpoints, direction of consolidation and renovation of economic co-operation in the current situation.

1. Co-operatives are formed to meet subjective demand of laborers. In business and production, there must be certainly requirement of co-

operation in each stage, each activity. As a result, we have to depend on those requirements in order to gather people, gradually raise the level of organization and management and the spirit of community from simple cooperation forms, build cooperation groups and diversified, specialized or multi-function co-operatives in compliance with law, co-op members' willing and the principle of volunteering, equality, mutual benefits without coercive measures.

2. In the market economy, co-operatives are economic organizations of laborers who have small capital and no capability to own the business, they have only way to be employed or cooperate with together to prevent exploitation. Co-operatives are socialist economic form, they are road to socialism of individual laborers. However, the co-operative movement in the world and in Vietnam as well showed laborers could not voluntarily form co-operatives unless there was agitation and support of the pioneering advanced forces.

3. The differentiation between the rich and the poor is an obvious nature of the market economy. In capitalist countries, the government supports co-operatives, helps develop co-operative movement in order to solve social problems, secure the people living and gain votes. The United Nations Organization also calls upon governments to assist develop co-operatives, and consider them as social forces having capability to eradicate hunger and alleviate poverty. However, they never help co-operatives become strong socio-economic forces as compared with private capitalist economy. In our country, co-operatives are organizations gathering numerous laborers including farmers, handicraft makers, small businesspersons, consumers; that is a part of new productive force and of revolu-

tionary force as well. Thus, to strengthen co-operatives means the Party builds an economic force organized under the socialist orientation which together with the State economy becomes a firm foundation of the future socialist economy.

From these above-mentioned viewpoints, we suggest the HCMC Party Committee should pay full attention to the co-operative movement, a socio-economic organization having formed by the Party since the Party did not hold power yet. It is an organization deeply attached to our country's ups and downs in the war and peace as well. The success and difficulty of socialism leave their marks on our country's co-operative movement and our city.

• We make the following proposals:

1. The city Party Committee should pay interest in propagandizing, agitating, making the people and workers to have proper understanding about co-operatives, Co-operative Law adopted by the National Assembly in order that everybody positively supports and builds co-operatives on every side across units. The Party should also instruct and help the HCMC Union of Co-operatives consolidate and develop the co-operative movement under the socialist orientation.

2. The co-operative movement will be strong if there are co-operative staff working with their whole heart, socialist ideal, knowing to manage and do business. In the past time when the co-operative movement declined, most of staff were assigned other work or did private business, some were puzzled, waiting for disbanding decision and worked perfunctorily, only a few were heartfelt and knew how to do business. Therefore, we would like to wish leaders of Party units and mass organizations

in districts and wards to take care of this army, foster and train them in politics and introduce Party members and those who are able to do business in order that competent agencies will train and assign them to work for co-operatives. That is the way every Party Committee and mass organization can gather people widely.

3. In addition, we are eager to propose the HCMC People's Committee, relevant Services and Branches to study and apply Circular 763 by the Government on policies helping co-operatives have conditions to compete equally with other economic sectors.

In 1927, in the work *Đường Cách Mệnh* (Revolutionary Road), Uncle Hồ wrote about co-operatives as follows: In spite of different ways of realization, but every country's target is the same. That target- stated in the declaration of English Co-operatives "is to turn the proletariat into brotherhood. The brothers help each other, delete bad competition. Anyone who growed a tree will enjoy its fruit, anyone who wants to enjoy fruit has to help grow a tree" ...Therefore, co-operatives are firstly useful for the people, secondly will reduce the exploitation of the capitalist class and imperialism.

To really perform the task of developing productive forces and building new productive relations according to the resolution of the HCMC 6th Party Congress and the upcoming national Party Congress, I think the Uncle Hồ's words about co-operatives are still meaningful to us at present in the country's industrialization, modernization under the socialist orientation, making the people rich, country strong, society equal and civilized.

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