

# AN APPROACH TO THE POLICY ON PRIVATE CAPITALIST ECONOMY DONE BY VCP MEMBERS

by Dr. HỒ BÀ THAM

In past few years, the question of whether VCP members could run private business has aroused a lot of controversy. Many workshops and conferences have been held but they came to no conclusion. This problem is sensitive and important to the socioeconomic development when Vietnam is trying to develop the mixed economy and carrying out the industrialization. This is also related to the nature and historical role of the VCP in the future.

When discussing this problem, many experts and researchers have raised the question of whether the communist party and its members changed their nature when adopting new tasks or the private sector supported the economic reform launched by the communist party. I prefer having a look at the nature of the problem to carrying out a sociological study. With this in mind, I see that there are many approaches to the problem.

(1) If exploitation of labor is the nature of the capitalist system, those who engage in this system, that is, to do private business, can't be members of the communist party. If the number of party members who do private business increases, the nature of the communist party will change. This could be called the exploitation approach.

This approach, in my opinion, is not wrong. It tends to ensure the principle of the communism but its way to deal with the exploitation is too rigid to introduce a new view on developments of the private sector in the transition to the socialism. In other words, we should accept that there is a difference between the private sector in the capitalist regime and in the transition to the socialist system. In addition, we had better separate a common trend from specific cases. The question to discuss is whether the presence of an increased number of private businesspersons in

a communist party can change its nature, or change the nature of the private economy, or change both.

(2) The second approach maintains that when the VCP accepts the market economy and considers the private sector as important to the economic development, VCP members - as citizens eager to realize the party's line - can do private business to make rich in order to encourage other classes to do the same. Realities show that many VCP members have done private business and caused no harm to the nature of the party. This is the making-rich approach.

This approach is reasonable to a certain extent. However, when the number of party members doing private business increases to a certain level, there will surely be a danger that the nature of the party will change. What will happen when party members are allowed to do private business and a lot of private



businesspersons are co-opted into the party? May this be considered as a beginning of a serious mistake? Why don't we see that there is a difference between a party member and a citizen in their views on the nature and basic goal of a communist party?

(3) The third approach argues that the private sector in Vietnam today operates according to the socialist orientation and is regulated by the laws of a socialist government. In other words, the private sector in Vietnam has changed and its exploitation isn't serious, therefore party members could do private business. This is the new-private-sector approach.

It's right to say that the exploitation by the private sector in Vietnam today is limited by law and the state can regulate common and individual interests. But we can't fail to see that the private sector will develop into the capitalist economy when conditions are favorable enough, so we can't say that it's all right to co-opt private businesspersons into the party and allow party members to do private business at will.

(4) The fourth approach is the developmental one based on the nature of the working class. In my opinion, this is the most reasonable one because the private sector in Vietnam today has great potentials for development and is becoming a dynamic of economic growth under the state management. The private sector, as Hồ Chí Minh put it, is a dynamic of revolution, especially in the struggle for independence and civil rights. But we can see that it can play well its role at present and in the future according to the strategy to develop the mixed economy adopted and directed by the VCP. In fact, the private sector today has an active and revolutionary role. Moreover, the private sector under the socialist regime is no longer the same as under the capitalist one, because "structure, characteristics and positions of classes in our society have changed a lot along with great changes in the socioeconomic life," and "interests of different classes and sectors are harmonized and unified for common targets: independence, socialism and a democratic, equal and civilized society" as affirmed by the 9<sup>th</sup> VCP National Congress.

In such a direction, it's all right for party members to support the development of private sector and for a number of party members to do private business. It's also acceptable to co-opt some "red-capitalists" into the

party if they accept the party lines and by-laws and have the ability to lead the people to follow the party. But this is conditional and not allowed to become a mainstream of party policy. Otherwise, it is against the party line and by-laws because the ultimate goal of the VCP is to struggle for a better life for the people, a civilized, democratic and equal society, freedom from exploitation and oppression, and a total and sustainable independence.

No changes in the nature of communists and their party is acceptable although in developing the socialism-oriented market economy, the communist party adopts new tasks, but one can make rich without exploitation of labor or doing private business. The problem is to determine for whom we create wealth and how to combine different interests through surplus value gained.

There are maybe some party members, or ex-members, run family businesses, that is, committed no exploitation, and became capitalists to a certain extent but they still maintain a relationship with party cells and obey the party discipline. It is a paradox that these members have committed exploitation to a certain extent when they gained some surplus value but the exploitation is still within limit and acceptable because part of the surplus value is used for improving the living standard of laborers.

There is a difference between members who support the private capitalist economy for economic development and members who directly engage in the private business and become capitalists as allowed by law. The VCP had better consider policies to direct the private sector towards the socialist orientation and allow some party members to work for, or run, private companies to take chance to maintain the socialist orientation. Maybe party members will make the private capitalist economy to absorb socialist features by doing private business. If it is so, the nature of private capitalist economy will change. In other words, doing private business won't change the nature of the communist party.

As for the exploitation, how can we decide whether a rich owner of a family business (a farm owner for example) become a capitalist or not? If he is a capitalist, he has certainly exploited labor of others as Marx put it. There is no doubt about it, but we must study the way and degree of exploiting the others because many

owners also produce surplus value with their own hands, and whether the exploitation is still a dynamic of development or it has become an obstacle to development.

It's regrettable to see that it's corruption — a type of exploitation — that really changes the nature of party member while members doing private business could create new jobs for the poor and contribute to the economic growth although they are considered as exploiters. Because our ultimate goal is to keep balance between economic growth and social equality, we need not praise the private capitalist economy too much although it helps improve the living standard of the people. The VCP advocates developing both private capitalist economy and state capitalist economy but it doesn't mean that party members are free to do private business. Party members doing private business are only the exception that proves the rule. The communist party represents and protects interest of the working class and the people as a whole, including capitalists doing business legally. Of course, the party couldn't co-opt all workers into the party of absolutely refuse to co-opt capitalists who support and follow party policies.

From these analyses, we come to agree to the conclusion presented by the Polibureau to the 5<sup>th</sup> Conference of the Central Executive Committee which says, "The Party doesn't allow its members to do private business, but in fact, members doing private business have contributed to the economic growth, created new jobs and income for laborers, and helped with maintaining social order. Most members who own private businesses observe laws and regulations, pay attention to interests of laborers, helped party cells and civic organizations in their own businesses and took part in many community services." And how the party leadership deals with this paradox?

The Polibureau argues that, "In the present period, party members who work in all industries, know how to make rich and help others to make rich legally; or members who run private companies, observe laws properly and win confidence from local residents and other members are still Party Members if they want to follow the Party."

This opinion could be considered as a principal conclusion that allows new ways of thinking, but the problem still deserves more studies and discussion. ■