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EXTRACTS FROM:

LE VIET NAM SOCIALISTE

UNE ECONOMIE DE TRANSITION

"Economie et Socialisme"

par

LE CHAU

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1.. AN ECONOMIC THEORY OF THE TRANSITION TOWARDS SOCIALISM
(the first stage of the socialist revolution)

A. The theory and principle of the socialization of the economy.

Public power being in the hands of the proletariat, the latter must, on the one hand, perfect the democratic national people's revolution, whose antifeudal struggle embodied in radical agrarian reform has not been completed and on the other hand, transform according to the data of socialism, the society which has just emerged from semi-feudalism and which "is in every respect stamped with the birthmarks of the old society".⁴

The form of government of the transition towards socialism is that of the "revolutionary dictatorship of the Proletariat" anticipated by Marx in his "Critique of the Gotha Programme".⁵

"Between capitalist and communist society lies the period of the revolutionary transformation of the one into the other corresponding to this is a period of political transition, in which the State could be nothing but the revolutionary dictatorship of the proletariat".

The dictatorship of the proletariat was regarded as all the more necessary in 1955 in north Viet Nam in that:

1. The semi-feudal society which carried in its veins the capitalist trend was defeated and at the point of death, while the emerging socialist forces, although still weak, were going, according to the political conception of the leaders of the Democratic Republic of Viet Nam, to "jump the stage" of capitalist development in order to move directly from semi-feudalism to socialism.

(4) See Lenin, The State and Revolution, selected works, vol.25. Moscow, 1964. According to Karl Marx, this phase of the revolution is the "midwife of every old society pregnant with a new society, the instrument with the help of which the social movement creates a place for itself and breaks up the dead and rigid political forms", *ibid.*

(5) Editions Sociales, Paris, 1950 p.34.

2. - the production relations were extremely heterogeneous owing to this situation and remained both:

- semi-feudal, owing to the fact that the agrarian reform was still not completed.

- capitalist, on a small scale in that private ownership of the means of production was not yet abolished.⁶

- individual by the predominance of individual and family ownership in all the sectors of production.⁷

- socialist by the existence of a state sector in industrial enterprises, in financial institutions and in foreign trade, that is in the key sectors of the economy.

The missions of the dictatorship of the proletariat during the transition to socialism in north Viet Nam have thus been defined as follows:-

- "to carry out the socialist transformation of agriculture, of handicrafts and retail trade, and of capitalist industry and trade;
- to achieve socialist industrialization by giving priority to the development of heavy industry while also developing agriculture and light industry;
- to ensure the progress of the socialist revolution in the ideological, cultural and technical fields⁸.

(6) It has been estimated that agricultural capitalism represented about 8.5% of the lands and 10% of agricultural production (cf Revue Hoc Tap N° 8 - 1959, p.35 and N° 5 - 1958 p.1). For other sectors consult table 17 of the following paragraph on the socialist transformation of the economy.

(7) See Table XVII

(8) Pham Van-Dong, in Hoc Tap Review, N° 8 and 9, 1960 p.12

TABLE XVII

PRODUCTION RELATIONS IN D.R.V.N. IN 1957
(in percentage)

	State Sector	Cooperative Sector	Capitalist Sector	Individual Sector
Industry and handcrafts (production) ⁹	28.4	7.2 ¹⁰	14.2	50.2 ¹¹
Foreign trade (turnover)				
- wholesale ¹²	52.6	-	39.0 ¹³	8.4
- retail ¹²	25.8	14.3 ¹⁴	30.2 ¹³	29.3
Home trade (turnover)	95.0	-	-	5.0
Transports ¹²				
of goods	50.2	-	-	49.8 ¹⁵
of passengers	52.2	-	-	47.8 ¹⁵
Agriculture ¹³ (production)	0.14	9.86	10.0	80.0

9. D.R.V.N. 5 Nam Xay-Dung op. cit. pp
This document will henceforth be mentioned under the name of
Statistics.
10. Bui Cong-Trung, Mien Bac Viet Nam... p.113, Hanoi, 1960 2nd edition.
11. Individual and cooperative handicrafts represent 57.4% of the
overall industrial and handicraft production (50.2% + 7.2%).
12. Vien Kinh-Te op. cit. pp. 212 and 228.
13. Revue Hoc Tap, N° 5 - 1958, p.1 and N° 4-1959 pp. 1-3.
14. Including 8.8% of the State capitalist sector.
15. Private sector = capitalist sector + individual sector.

The North Vietnamese proletariat therefore had to struggle on three points:

- to create the regime of collective ownership through the conversion of the semi-feudal, capitalist and individual relations of production.

- to develop new capacities of socialist production.

- and to instil into the new-born society, a new way of acting, living and thinking : that of socialism.

After the period of economic reconstruction which ended in 1957, production relations in D.R.V.N. were still far from those expected from a socialist economy.

It was therefore necessary for the socialization of the means of production in North Viet Nam, to:

- transform private capitalism in industry, trade and transports into state capitalism (of which a mixed economy is the most developed form) or into State ownership, to regroup the individual enterprises of handicrafts, agriculture, transport and retail trade into socialist or semi-socialist cooperatives.

The 14th session of the Central Committee of the Party met in November 1958, and adopted an important resolution which decided that the socialist transformation of the economy would be carried out by peaceful procedures, that is without the use of force, and that the State sector must play a pioneering role in the national economy as in the socialization of the means of production. ¹⁶

As regards class antagonism, the resolution asserted that: "the socialist forces have clearly gained over the forces of capi-

(16) Consult Suthat Edit. Nuoc Vadeck, op. cit. pp. 62-63.

talism. Nevertheless, the problem of who - socialism or capitalism - will win is yet to be solved".¹⁷

On the other hand, there were still in 1958 "the vestiges of the subsistence economy" as well as semi-feudal relations of production in the remotest areas of the countries which had not been affected by the agrarian reform¹⁸. It should be recalled that semi-feudal ownership in agriculture was practically abolished by the completion of the agrarian reform in 1956. Nevertheless, the socialization of the economy as a whole was only completed in its essential part at the beginning of 1961, date on which the first five year plan of the construction of socialism in the D.R.V.N. was launched.

We shall study in another chapter¹⁹ the achievement of the socialist transformation policy of the economy of North Viet Nam. In the pages which follow, we shall study the situation in the rural area of North Viet Nam in 1957 (after the radical agrarian reform) and the need for cooperation in agriculture which was in the same year, the most important production sector of the national economy²⁰.

B. - Socialization of Agriculture.

a. Contradiction in the rural areas.

The principle "the land to the farmers" was implemented after the agrarian reform in 1957. The agrarian reform thus led to the creation of individual peasant ownership by conferring on them an inviolable, imprescriptible and permanent title to property. (article 31, law of 1963, Annex III). On the other hand, the agra-

(17) Pham Van-Dong, "La question paysanne au Viet Nam (Cf. La Nouvelle Revue Internationale N°. 16, 1959, p.63, Paris.

(18) Vien Kinh-Te, op. cit. p.93, the region involved is the high-land Region of North Vietnam peopled by ethnic minorities.

(19) Part 2 Chapter II, Section 3.

(20) Agricultural production represented 68.6% of the overall production of industry, handicraft and agriculture in 1957.

rian reform had set a limit to the economic power of landowners and wealthy peasants, but it had not finally abolished all forms of exploitation suffered by the most underprivileged strata of the peasantry.²¹

We then witnessed the spontaneous tendency for a certain number of peasants for an agricultural bourgeoisie on a small scale. This bourgeoisie was derived from the principle of individual ownership which, in turn, resulted from the break-up of the semi-feudal property.

The Vietnamese Kulakism, the emergence of which had been reported during the criticism of the errors of the agrarian reform was the most pronounced manifestation of this trend.

In the face of the agricultural cooperative movement this situation engendered a first fundamental contradiction:

"The contradiction between agricultural cooperation and the forces hindering it is essentially the contradiction between socialism and capitalism in agriculture, between the collective and the individual, between labour and exploitation; and in the last analysis, between the productive forces and the production relations; it is also the antagonism between the peasant workers engaged in cooperation and the counter-revolutionaries who are still hiding in North Viet Nam and are attempting by all means to sabotage the agricultural cooperation movement".²²

(21) According to Mr. Truong Chinh (cf. Kien Quyet op. cit. pp. 7-8 and "La Cooperation agricole au Viet Nam, op. cit. p.26).

"Some rich peasants and even some medium peasants of the upper stratum continued to exploit the poor and medium peasants of the lower stratum. The latter, struck by natural calamities or by sickness were in want and had to sell part of their land and cattle, being no longer in a position to keep for themselves the fruits of the land reform, while a few people succeeded in getting rich by acquiring the goods sold and by exploiting the wage earning manpower. The situation in the rural areas in these latter years (1959 and 1958) proved that if individual exploitation continued, the ricefields would be gradually concentrated in the hands of a minority, while the classes would again be differentiated and this time very markedly.

(22) Resolution of the 16th session of the Central Committee of the party in April 1959 (cf. Pham Van Dong) in "La nouvelle Revue Internationale n° 16, 1959 pp. 65-66).

Considering that farming procedures in North Viet Nam are still not renovated, whereas the socialist revolution, proclaimed its main task to be that of increasing productivity and output, a second contradiction of a technical nature, is revealed:

"The contradiction between the necessity of raising productivity, increasing production, and improving the level of living on the one hand, and the backward state of technology, a burdensome vestige of the former colonial and feudal régime, on the other".²³

It may be said that after the agrarian reform, agriculture in the D.R.V.N. was faced with two alternatives: to move towards socialism, which implied a revolution in agricultural technique, or to move towards bourgeois individualism without challenging the backward state of the cropping procedures. From the economic point of view, the farmers benefitting from the agrarian reform were both agricultural producers and owners of a means of production. As producers, they could derive economic advantages from collective work, but as landowners they could not escape the spontaneous trend towards the agricultural bourgeoisie which is opposed to cooperation in agriculture and which is the origin of class differentiation and the instrument of the exploitation of the poor peasants by the rich ones.

From the general point of view of economic policy, a third contradiction of an economic order must be added:

"The contradiction between socialist industry and the small peasant economy which the government of the D.R.V.N. must solve so as not to remain indefinitely on these two heterogeneous bases".²⁴

This last contradiction was the root of the imbalance between the two major branches of production in the D.R.V.N. agriculture and industry.

b. - the imbalance between agriculture and industry.

23. Ibid.

24. Truong Chinh, La Cooperation agricole du nord Viet Nam op. cit. p.29.

In 1957, when the state industrial sector in north Viet Nam already produced 28.4% of the industrial and handicraft output, or double the output of the modern private industry,²⁵ agriculture was still at the stage of individual, fragmented property, and doomed to a backward technology. In fact the first cooperative units created during the resistance (mutual help teams and agricultural production cooperatives) were broken up during the rural crisis.²⁶

The agriculture of the D.R.V.N. was therefore dominated in 1957 by the small family economy incapable of ensuring at each harvest a simple reproduction. Owing to its backward state, agriculture was at the mercy of the slightest inclemency of the weather, while the socialist industry was modernizing from day to day and developing at a rapid rate according to the principle of extended reproduction.

The imbalance between agriculture and industry was all the more important for the economic development of the D.R.V.N. in general and for its industrialization in particular, in that agriculture was considered "as the major link in the development of production".²⁷ In 1957, agriculture represented 68.6% of the overall production of the agricultural industrial and handicraft sectors, and between 1955 and 1957 its annual rate of growth was 10% as against 65.3% in industry.

The labour productivity per worker in the state industrial sector had increased almost threefold in 1957 in relation to that of 1955²⁸, while agriculture was still doomed to unprofitable farming procedures²⁹. But it was admitted that in order to build a modern socialist industry.

25. Statistiques p. 160.

26. The mutual aid teams which grouped in 1965 about 53% of the peasant families represented only 21.9% of them in 1957. The agricultural cooperatives which numbered 36 in 1956 were reduced to 4 in 1957 (cf. Truong Chinh, La coopérative agricole du Nord Viet Nam op. cit. 29 et Vien Kinh-Te op. cit. p.141).

27. Resolution of the 14th session of the Central Committee of the Party (cf. Pham Van-Dong, op. cit. p.64).

28. Statistiques op. cit. pp. 74-75 and 119.

29. Vien Kinh-Te, op. cit. p.126.

"Agriculture must provide sufficient quantities of food for the workers and of raw materials for the factories according to the plan laid down. It must also enable the State to export agricultural produce in exchange for machinery and raw materials we are still unable to produce. An industry needs markets for its development. By joining cooperatives, the peasants have a better income and level of living, thus increasing the volume of trade on the home market. The state must be able to accumulate part of its funds from the proceeds of agriculture. It is only cooperation in agriculture which enables us to meet these requirements".³⁰

Any delay in the socialization of agriculture will therefore be likely to give a fatal blow to the socialist industrialization of North Viet Nam.

Lastly, according to the terms used in the D.R.V.N., it can be said that industry was already engaged on the road to socialism, while in agriculture, the people's national democratic revolution was not yet completed; since radical agrarian reform had not yet been achieved on the whole territory in 1957, the time when errors were being corrected.

Thus, in the last analysis, the question of the transformation of agricultural production relations was raised.

c - Necessity for an agricultural cooperative system.

At the height of the war of resistance in 1951, the 2nd party Congress adopted a resolution on the fundamental character of the Vietnamese revolution.

"The national democratic people's revolution is inevitably progressing towards the socialist revolution. To achieve the socialist revolution the country must be industrialized according to socialist principles, and agriculture collectivized".³¹

30. Ibid note 3.

31. Truong Chinh, op.cit p. 24-30.

That is what we call "walking on two sound legs".

An agricultural cooperative system was becoming all the more urgent in so far as the political and social results of the agrarian reform had been positive. The creation of individual peasant property could not be considered as an end in itself but as a necessary stage toward the abolition of the semi feudal regime of landownership. Cooperation in agriculture would consolidate the land which had been divided by the agrarian reform.

In a country which claims to be marxist-leninist,³² socialism must necessarily be built on a cooperativized agriculture.

If this cooperation cannot be realized or if it is impeded or delayed, the economic task of the socialist revolution in the D.R.V.N. may be jeopardized:

a) the imbalance between the industrial sector and the agricultural sector might be aggravated, the contradiction between the modern socialist industry and the backward fragmented agriculture would become insoluble;

32. In this connection Lenin writes: where there is a maximum grouping of the population into cooperatives socialism automatically succeeds. To imagine all sorts of workers' association projects for building socialism is one thing, to learn how to build this socialism practically in such a way that all small peasants can participate in this work of construction is another thing" (cf. Oeuvres Choies, 2e Partie, Tome II, Edition de Moscou 1953 pp. 739 and 741).

According to Marx: "We not only have to increase the individual productive forces but create, through cooperatives, a new force functioning only as a corrective force... The cooperative system enables us to enlarge the space over which the work is spread; certain enterprises such as land drainage, soil irrigation, the construction of canals, roads, railways etc. require it from this point of view alone. On the other hand, by widening the scale of production, the cooperative system narrows the space in which the work is carried out. This double effect, a very powerful level in economizing incidental costs, is only due to the agglomeration of workers, to bringing close together various but connected operations, and to the concentration of the means of production. Compared with an equal number of individual and separate working days, the combined working day produces more use values and thus reduces the time necessary to obtain the desired effect" (cf. Capital Book 1. Vol.II).

b) the Agrarian Reform realized in the D.R.V.N. would simply have created the individual ownership in agriculture whose unit of production and competition is the small family farm. In the face of the "counter-offensive" of Vietnamese Kulakism, the toiling peasantry who had been promised happiness, would probably have known a future as gloomy as that reserved to it before the reform;

c) the socialist transformation of the economy undertaken since 1958 would be deprived of the support of the agricultural sector. The construction of socialism would therefore be impossible since the basic contradiction between capitalism and socialism in the rural areas would remain. The question "which will win, capitalism or socialism?" It would be superfluous, for as long as the relations of production are not transformed according to the data of socialism, it seems objectively impossible, whatever people want, to expect to obtain the victory of socialism unless it is a shaky socialism condemned in advance.

2. RELATIONS BETWEEN AGRICULTURE AND INDUSTRY.

(THE PLACE AND THE ROLE OF AGRICULTURE IN THE INDUSTRIALIZATION OF NORTH VIET NAM).

Agriculture plays an outstanding role in a country like North Viet Nam in which 80% of the total population live on agriculture and in which agricultural production represents two thirds of the total production.

While on the one hand, agriculture contributes to the creation of industries by providing foodstuffs, raw materials, capital, and manpower, on the other hand, it provides industry with a market of consumers for its products, and, the national budget with an appreciable revenue.

Industry, in return, consumes agricultural products and supplies agriculture with capital goods. The relations between industry and agriculture and therefore decisive for a balanced economic development.

Two lessons are to be learnt from the calculation of the growth rate of the various branches of production and economic activities in the Democratic Republic of Viet Nam:

- The growth rate of the various branches of production (with the exception of transport which produces an immediate effect) varies roughly in proportion to that of agriculture with a time-lag of one year.

- When there are two consecutive years of good harvest and provided that the increase obtained in the second year is at least equal to half that of the first year and twice that of the demographic rate, the growth rate of economic activities (investment and budget revenue) and of per capital national income, are very high in the first year. This rate will be more than proportional in

the second year, even if the growth rate of agriculture was less than that of the previous year.

ANNUAL RATE OF GROWTH IN RELATION TO THE PREVIOUS YEAR³³
(in percentage)

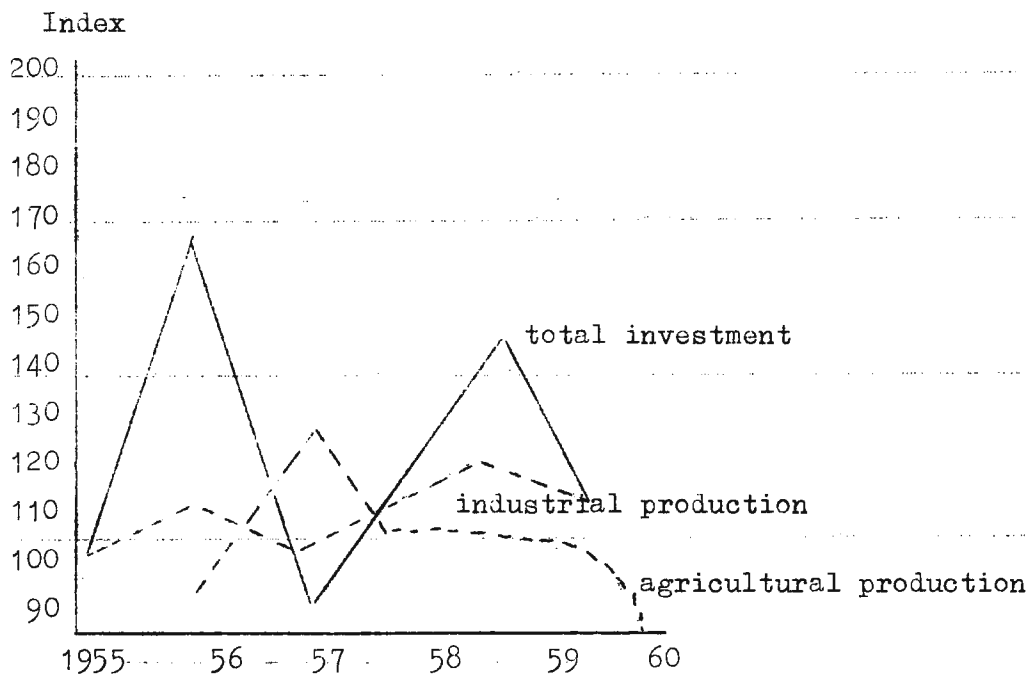
Years and Agricultural Production	Industrial production	Total investment	Revenue	Income per capita	Domestic trade	Foreign Trade	Transport
Agric. Prod. 1956							
= + 17.8							
1956		+ 85	+ 56				+ 65
1957	+ 38				+ 17	+ 40	
Agric. Prod. 1957							
= + 2.7							
1957		- 4	+ 6.4				+ 9
1958	+ 17				- 2.5	- 17	
Agric. Prod. 1958							
= + 16.4							
1958		+ 25	+ 34	+ 9.3			+ 99
1959	+ 30				+ 19	+ 50	
Agric. Prod. 1959							
= + 8.2							
1959		+ 57	+ 58	+ 16.8			+ 67
1960	+ 25					+ 43	
Agric. Prod. 1960							
= - 8.7							
1960		+ 26		+ 4			

33. Sources: -a) Statistiques: (various pages already mentioned in the study
 -b) Tham Luan. op. cit. pp. 147-148.
 -c) Revue Nghien Cuu Kinh Te, N° 3, 1961, pp. 66 et 69 N° 5, 1961, pp. 51, 13 et 67-73.
 -d) Revue Hoc Tap, N° 5, 1960 pp. 65-66 N° 7, 1960, pp. 28-33 N° 10, 1960; pp. 37-39.
 -e) Revue Echo du Viet Nam, N° 6, 1961 p.1.

Apart from the observations just made, we can see that investment and national per capita income still increase, though slightly, in the third year, even if there is a regression in agricultural production in that year. That was the situation in 1960 with respect to 1959 and 1958.

GRAPH 16

ANNUAL RATE OF GROWTH IN RELATION TO THE PREVIOUS YEAR
(AGRICULTURE, INVESTMENT, INDUSTRY)



It should be recalled that in the period under consideration (1955-1959), the foreign financial aid received by the Democratic Republic of Viet Nam represented a constant proportion of about 30% of the national budget. Consequently, this aid had only a slight effect on the variation of the rates we have just analysed.

In the People's Republic of China, the same relations were recorded during the implementation of the first five year plan 1953-1957 and during the first two years of the second five year plan (1958-1959). During the implementation of the first Chinese five year plan, the highest industrial growth rate was obtained in 1953 (30.2%) and in 1956 (28.2%) on the basis of the highest increase in agricultural production in 1952 (23%) and 1955 (8%). For the second Chinese five year plan, only the agricultural production of 1958, thanks to the "great leap forward" reached the plan targets. This enabled industry to overfulfil the plan in 1959, three-years ahead of the date planned.³⁴

The preceding observations enable us to make three assumptions:

1 - Agriculture constitutes the very basis of the industrialization of the national economy and of economic development before heavy industry begins production.

34. a) Peking Review of 19.5.1959.

b) Revue Hoc Tap Tai Lieu Dich N° 5, 1960, pp. 24-25. Vietnamese translation of an article on the "relations between agriculture, light industry and heavy industry" by Du Minh-Uhân, published in Peking in the journal Economic Studies, N° 2, February 1960 (in Chinese).

c) Journal "Economie Appliquée" N° 3, 1960, op. cit. pp. 420-421.

d) Journal Economie et Politique, specialisme of January - February 1960 p. 151.

e) Political report presented to the 8th Congress of the Chinese Communist Party which met in September 1956 (cf. Recueil de Documents op. cit. pp. 11 and 59).

2 - As soon as socialist industry, particularly heavy industry, begins to produce and to obtain an ever growing rate of increase, there is a tendency for the value of industrial production to be equal to that of agricultural production.

3 - From that moment, industry plays the leading role in economic development and provides agriculture with modern equipment leading to a higher productivity in this sector. The correlation thus realized should result in a balanced development. In this connection, the economic policy of North Viet Nam has been defined as follows:

"Whereas agriculture is the basis of industrialization, industry (heavy industry in particular) must play the leading role in the development of the whole of the national economy which includes agriculture".³⁵

35. Nghiem Cuu Kinh Te, Review N° 5, 1961, p.9

3 - APPLICATION OF ECONOMICS TO THE OLD SOCIETIES AND PARTICULARLY TO THE UNDERDEVELOPED AGRICULTURAL COUNTRIES WITH ATROPHIED SOCIAL STRUCTURES.

At the end of this study we can recall some imperatives concerning the application of economic laws to overpopulated and essentially agricultural underdeveloped countries like North Viet Nam where the old social and agrarian structures are fundamentally semi-feudal.

It is certainly wrong to dissociate economic development from the other aspect of the daily life of the individual. Nevertheless, it is true that economics involves specific laws. Three of them may be distinguished for these countries.

1 - In the light of the experience of North Viet Nam, it may be said that the conditions necessary for economic laws to operate in these countries require first of all a social revolution or a radical transformation of the old social and agrarian structures.

The contradiction between the relations of production and the productive forces is such that, without shock therapy, all initiative and all effort will face insurmountable obstacles.

It can therefore be submitted that the creation of new institutions and social forces and the establishment of new relations of production is an urgent necessity for any economic growth policy.

2 - Concurrently with the social reform, it is essential for these countries to launch a technical and cultural revolution or renovation.

Without a renovation of the technique of production, rural unemployment and the underemployment of the labour forces in the rural areas will prevent any improvement in labour productivity and, consequently, any increase in production. Domestic savings, capital

formation and material productive accumulation in the countries concerned will always be inadequate. Population growth will then absorb economic growth. These countries will be unable to evolve from a static to a dynamic economy. It must however be stressed that technical renovation may be achieved through the simultaneous use of advanced techniques and improved traditional techniques. The former a precursor of the economic dynamics of tomorrow and the latter make possible the optimum use of the unused productive forces without foreign exchange assets and reserves being affected.

The technical renovation is closely connected with the literacy education of the population, its vocational training and the raising of its cultural level. It is unthinkable for the producers of a modern economy not to be up to their task.

How can we make the peasants understand the need to increase labour productivity in agriculture and to increase the yield per hectare if they know neither the four basic arithmetical operations, nor the elementary land measurements, nor the metric system? Any extension of farming technique and of the results of scientific research would be limited if the new farming implements had to be made entirely by scarce technicians and if all the fertilisers and seeds had to be produced in laboratories or experimental stations. To achieve these targets with such expensive procedures, we would need as many laboratories and experimental stations as agricultural villages. But where can we find the technical staff and the money? How can we explain for instance, soil erosion, contour ploughing and close transplanting if the most elementary principles of natural science are unknown?

It would be paradoxical if, on account of his ignorance, man to whom we claim to bring welfare and happiness, were completely unaware of these problems.

3 - It is possible to formulate and implement medium or long term development plans according to the social conditions and elements of economic technique. It is not excluded that before this planning, development programmes can and should be applied so as to prepare favourable conditions for the implementation of a long term plan.

Development plans must, on the one hand, cover every field of the political, economic, social, cultural, technical and scientific life of the country, and on the other hand, they must coordinate the activities undertaken in these fields and mobilize the productive forces and the means of production so as to devise a new social organisation of production. This should enable us to make a maximum use of technical and scientific knowledge.

Consequently, it will be possible to raise both the investment ratio in relation to national income, and the rate of return on the investment made. The process of growth will thus be underway, labour productivity will be ever increasing and the level of living improved.

Two main remarks of a technical nature may be made about development programmes and plans:

a - development cannot be divided into strictly demarcated stages. Annual or short term programmes must also begin, as far as possible, the tasks of medium or long term plans. The programme targets must be set from the point of view of long term plans. As to the plans, while achieving their own targets, they must also complete the work begun by the programmes.

To avoid the sudden stops and starts and advance with measured tread, without losing sight of the future, is a rule of prudence as regards the processes of economic development.

b - it is necessary to establish an order of a priority of target's for both programmes and plans. Without this order of priority, any intervening change would inevitably lead to improvising a new

decision likely to give an orientation other than what was included in the plans or programmes. The so-called indicative or flexible plans are often faced with these problems.

The stability of international transactions and of the terms of trade of the world market is an indispensable corollary to the economic planning of the underdeveloped countries which export primary commodities. The conditions attached to technical and economic aid are also important factors of the economic growth of these countries. The latter is therefore more or less closely up with the economic relations between nations.

A political choice is necessary from the beginning to the end if social reforms, technical and cultural renovation, and perspective planning are to take place. This choice must allow the elimination of the obstacles to the establishment of social, economic cultural, technical and scientific forms of development. In the absence of this choice it is to be feared that all initiative may be doomed to failure, thus entailing negative social consequences. Every action is therefore guided by political choice. We do not intend to dwell on this concept in the present study which is centred on scientific research. Nor can we compare the value of the various "socialisms" so far known³⁶. Let us say, however, that the development of societies does not only depend on men's will but also on whether or not they accept to pay the price of this development.

(See footnote 36 on page 21).

Footnote

36. A wide range of this doctrine may be noted from the utopian socialism of the 18th century to the Cuban socialism of 1961: scientific socialism or marxist-leninist socialism, the Indian "socialistic pattern", Indonesian socialism with centrally controlled democracy, the Cambodian "buddhist national socialism" and finally African socialism.

In connection with this and with respect to south East Asia mention may be made of the observations of an author who fears neither words nor realities.

"Every one calls himself a socialist from the rank reactionary pro-American Phoumi Nosavan in Laos to the "neutralitarian" nationalist Norodom Sihanouk in Cambodia, via the Prime Minister of distant Nepal, but these are definitions, fictions or intentions which absolve from action. By not wanting to owe anything to either Marx or Jaurès, by looking for a too original national form, we are only rediscovering an old experience even if we call it by another name, even if we call it buddhist so as to reassure the still too powerful bonzes. The boldness of the slogans allows us not to touch the traditional social structures; the ideological bric-à-brac does not postpone time limits but helps us to forget them. The Indian "democratically planned collectivism" does not succeed in going beyond the stage of straightforward management of capitalism: The Burmese experiment argues neither in favour of socialism nor in favour of the western-type democracy which their combined powerlessness forces them to abandon in the face of the army. It discredits the notion of a socialized economy by acknowledging very frankly results which the most reactionary disciples of free enterprise would not dare expect to find in support of their out-of-date argument. It proves, with the persuasive force of the caricature, that democratic socialism cannot outgrow under-development, annihilate corruption, impose internal order, or carry out a successful land reform".

(Julian Cheverny: *Eloge du Colonialisme, essai sur les révolutions d'Asie*, pp. 28, 206, 332 et 336, Paris 1961).