

# Communist Party Of Vietnam Perceive, Manipulate Dialectical Law Between Productive Forces And Relations Of Production In The Process Of Socioeconomic Development

Doctor Pham Thanh Trung<sup>1</sup>, Master Nguyen Thuy Mai<sup>2</sup>

<sup>1,2</sup>Faculty of Political Theory, HoaLu University, Vietnam

## -----ABSTRACT-----

*Summary: Law on relevance between relations of production and the characteristics and level of development in productive forces is one of the fundamental law of historical materialism specifically and Marxism theory generally. This law is the basis of establishment and transformation of every ownership and economic sector which regulates and manipulates socioeconomic behaviours. The fact that economic growth depends mainly on the perception, manipulation and relationship management between these two aspects is the deciding factor of our Party in the new era.*

**Key words:** Communist Party of Vietnam; productive forces; relations of production; socioeconomics.

Date of Submission: 05-12-2020

Date of Acceptance: 20-12-2020

## I. CONTENTS OF DIALECTICAL LAW OF PRODUCTIVE FORCES AND RELATIONS OF PRODUCTION.

In “parallel relationship”, productive forces show the first relation in mode of production and the relationship between human and nature in order to create materials as the basis of existence and development of human society. It shows human’s practical capacity during the manufacturing process. Productive forces compose of: workers with labour skills, means of production and above all means of production. During the manufacturing process, human labour and means of production together create productive forces.

The level of productive forces displays in: the level of labor equipment, social labor organization and scientific application into production; experiences and human’s labour skills; the level of labour distribution. The evolutionary history of human society is basically the evolution of productive forces. It is the development of productive forces that decides, alters and establishes relations of production and every social relation. Karl Marx wrote: “Social relationships are closely connected with productive forces. Consequently, this results in new productive forces and human changing production methods. Following the changes in production methods and how to earn a living, human also change their social relationships. While querns resemble a society with feudalism, steam mills resemble one with industrial capitalism.”<sup>1</sup>

Productive forces is the deciding factor of the alteration in mode of production. The level of productive forces in each historical period shows human’s attempts in conquering nature. Karl Marx wrote: “Economic eras are not different in what they produce but in how and with what materials they produce”<sup>2</sup>

Features of productive forces, Engels used this definition to analyze productive forces in different modes of production. When the production is carried out by the production tools at the manual level, the productive forces is mainly individual. When the production reaches the level of mechanization, the productive forces is required to be applied in broad social cooperation on the basis of specialization. F. Engels argued that the bourgeoisie “could not transform these finite means of production into powerful productive forces, if not turning them from personally used production materials into social production materials that can only be shared by a large number of people”.<sup>3</sup>

Productive forces consist of 3 basic elements:

People with certain qualities (knowledge, health, skills, production experience, professional proficiency, etc.); Labor tools are items that people use to impose on the objects of work to create material wealth; subject of work: based on which human generates material wealth. In these 3 factors, people are always at the center and play a decisive role. However, in order to produce, human not only coordinates with nature but there is also human-human cordination, forming relations of production.

Relations of production are the relationship between people and people in the production process (production and social regeneration). Relations of production compose of three aspects: ownership of the means

of production; relations in production organization and production management; relations in product distribution; relatively stable man-made production relations. Though regarded as a form of productive forces and being formed on the basis of productive forces, relations of production are objective and react dialectically to productive forces. As a "natural history process", relations of production are not activated dependently on the subjective will of people. Marx wrote: "In production field, people are not only associated with nature. People cannot produce without combining in a certain way to work together and to exchange activities with each other; in order to produce, one must have a certain contact and relationship with each other, and their relationship with nature, which is production"

The three aforementioned aspects of relations of production are closely related to each other, creating a system relative to the constant movement of productive forces. In which, the ownership relationship on the means of production is the most decisive. This is the foundation relationship, the basic relationship, the center of other relationships. Because it determines the status of each corporation, regulates how it works, regulates how to manage and it determines how to distribute the product.

The nature of production relations is primarily determined by the ownership relationship over the means of production - manifested as the ownership regime, which is the basic characteristic of the production methods. Human history has witnessed two different regimes of ownership: private ownership of the means of production and public ownership of the means of production. In principle, each ownership regime can exist in many different forms of ownership depending on the conditions of each country and the level of development of the productive forces. With the relationship in the organization and management directly affecting the production process, it is possible to put a direct impact on the scale, speed, efficiency and trend of each production platform.

The process of human labor both interrelated with each other and with nature, K. Marx calls this "a parallel relationship" in a production method. It means that in order to create wealth, humans coordinate with nature and also with each other to create labor to serve their needs and purposes. This combination shows the level of natural conquest and the level of relationships and management of human beings in each historical stage of human society. In this relationship, the productive forces plays a decisive role but production relations have a dialectic reverse impact. Production relation is a factor paving the way, promoting productive forces to develop if the relationship of production matches the nature and level of development of the productive forces. On the contrary, it will inhibit and hinder the development of productive forces when it is no longer relevant, outdated or when building a production relationship that is too high compared to the development level of the force.

## **II. APPLICATION OF THE COMMUNIST PARTY OF VIETNAM IN SOCIO-ECONOMIC DEVELOPMENT**

From the liberation of the South to the reunification of the country (April 30, 1975) to before the Renovation Congress (6th National Congress, 1986)

This rule has been applied by our Party in the socio-economic development and production process right after the North started building socialism (after 1954) in the context of a half-war country, the socio-economic status is at a low, backward and underdeveloped level, from a purely agricultural economy, a traditional agricultural society, and the ruins of a heavy feudal regime. Practical experiences of our Party, Government and people are insufficient (if not, there is never a bit of experience). Plenty of our content are not consistent.

In particular, from the day of national liberation to before the renovation period (before the 6th National Congress in 1986), for 10 years, we built the country in peaceful conditions, with many lines, plans, policies still has certain limitations, some ideas are dogmatic, stereotyped, subjective, hasty, willpower in recognizing, evaluating and summarizing practices as well as planning the way and policies of the Party. The biggest limitation is that we have emphasized and exalted socialist productive relations, not yet focused properly in the renovation of old production relations. Building new relations of production that are more and more "lost" creates a gap between production forces and production relations. Meanwhile, the problem of developing production forces to a certain extent is still underestimated, not focused and developed properly. It is this "deviation" and this gap that has limited and greatly affected the development of productive forces, which was the direct cause of the economic crisis in the late 1970s and 1980s. . In the theory of socio-economic form, C. Marx once emphasized: "No form of society perishes before all productive forces that form a sufficient territory for development, have yet to develop, and new, higher relations of production also never appeared before the material existence of those relationships was not yet mature in the heart of the old society"

Using economic efficiency as a measure for all cognitive and practical activities, mistakes in building production relations and productive forces are recognized by our Party, bravely fought and fixed, overcame. At the 6th Congress of the Party, we admitted "In perception as well as in action, we have not really admitted that the multi-sector structure in our country has existed for a relatively long time, has not yet grasped and properly applied the law of the suitability of production relations with the nature and level of the productive forces".

Also from the 6th National Congress, our Party has gradually established and completed the suitability of production relations with the nature and level of the productive forces.

The biggest and most important change of our Party is the establishment, building and implementation of a multi-sector economy from a major two-component economy (state economy and collective economy). Although there is no clear distinction between economic sectors, forms of economic organization and economic entities due to the lack of criteria to define economic sectors. However, after the 6th National Congress, private capitalist economic sectors, small owners, household economy have conditions to form and develop, operate publicly, legally and effectively. The Party determined that the multi-component economy was a characteristic of the transition period, the multi-sector economic development was a long-term strategy and policy during the period of socialism. The 7th National Congress clearly affirmed that in our country, there are 5 economic sectors: state economy, collective economy, individual economy, private capitalist economy, state capitalist economy, in which State-owned enterprises play a key role. After the 8<sup>th</sup> National Congress, the basic economic sectors remained unchanged, only the change in the name of "Kinh te quoc doanh" was replaced by "Kinh te nha nuoc"; "Cooperative economy" is replaced by "collective economy"; state capitalist economy; the individual economy, the small owner and the private capitalist economy. At the 9<sup>th</sup> National Congress, our Party continued to affirm and develop the economy of many sectors; specifically, the Party had identified six economic sectors: the state economy; smallholder individual economy; private capitalist economy; state capitalist economy; foreign-invested economy and collective economy with many diversified forms, of which the core is cooperatives.

Thus, at the 9<sup>th</sup> National Congress, our Party added a foreign-invested economic sector, this is a new economic sector but has made many positive, important and necessary contributions to the economic development. After the 9<sup>th</sup> National Congress, our Party continues to issue many resolutions and laws to determine to build and complete policies, management mechanisms, and operate a multi-component mechanism such as the arrangement and innovation of Government economy development reform in the Central Resolution 3, Session IX; Central Resolution 5 Session IX on the development of the collective economy and the private economy; Central Resolution 9, Session IX on the development of all economic sectors. Some laws such as: Foreign Investment Law, Land Law, Cooperative Law, Labor Law, Commercial Law, Enterprise Law.... This is really the determination and great effort of our Party in perfecting all economic sectors. The Party Congress X reaffirms the role and position of each economic sector in socio-economic development and has identified 5 economic sectors: "state economy; Group economy; private economy (individual, small owner, private capitalist), state capitalist economy, foreign-invested economy ... State economy plays a key role as important material force for the Government to orient and regulate the economy, create environments and conditions for all economic sectors to develop. The state economy together with the collective economy has gradually become a solid foundation of the national economy. The private economy plays an important role, is one of the driving forces of the economy".

Secondly, about the issue of establishing, the focusing and building economic sectors of the Party has created the area and favorable conditions for the development of the productive forces, promoting in all aspects of the country's economic potential. At the same time, we take advantage of and make the most of our external resources. Second, it is the shift from the mechanism of planning centralized subsidy to a socialist oriented market mechanism. This content stemmed from the Central Conference 6 session IV (1979) with the policy of removing and correcting shortcomings in socio-economic management and reforming planning in the direction of the market. This resolution marks a very important turning point in the improvement of the economic management mechanism, initially accepting some elements of the market economy. By 1981, important legal documents such as Directive 100 / CT-TW of the Party Central Secretariat (January 1981); Resolution 25 / CP dated January 21, 1981 of the Government allowed state-owned enterprises to develop 3-part plans. The content of the Resolution accepted liberalisation, market factors, broke the rigid stereotypes of the centralization mechanism, gave autonomy in business and enterprises. Resolution of Central Conference 8, Session V (June 1985) on the issue of price adjustment, price level, salary, reform of wage regime, improvement of budget decentralization, monetary circulation with the basic idea of "making the production burst", resolutely eliminating subsidies, switching to accounting and socialist business. These are significantly the first discoveries, improvements and experiments that are very meaningful in the management mechanism and innovation of economic thinking of our Party.

On April 5, 1986, Decision No. 10 / NQ-TW of the Politburo on innovation of agricultural economic management. The 6th conference (March 1989) emphasized the reform of the management mechanism, shifting to business accounting, in which, especially emphasizing the market factor. From the 6th National Congress to the 10th National Congress, our Party continues to build and perfect the market mechanism under the state management. At the 9th Congress of the Party, we pointed out: "It is necessary to continue creating synchronous market factors, innovating and improving the effectiveness of economic management of the State" at the same

time, “Continuing to renew the state's marxro management tools for the economy. Further reforming the work of planning, improving the quality of the formulation of socio-economic development strategies and plans”<sup>9</sup>

Thirdly, the varieties in ownership forms in socio-economic development operate based on market mechanism regulated by the government. In the past, we only follow the public ownership regime over means of production with two ownership forms – national ownership and collective ownership. Other ownership forms are inactive or controlled by the government or afraid to invest for fear of being “fattened and eaten up”. During the process of establishing new methods of production, we misunderstood that, once the formation of ownership regime and forms is completed, we are able to tackle other dilemmas of relations of production and finalize socialist relations of production. However, by doing so, we are accidentally constraining the development of productive forces. The hastiness, ignorance leads to the law violation in the relevance between relations of production and the developmental features and level of productive forces. Consequently, factories, enterprise and agricultural cooperatives regulated by the government have been struggling for a long period of time; highly potential individuals and groups have not been utilized efficiently. Workers are not passionate with the production methods nor their job; the activities are mainly about responsibilities than missions. The dilemma here is that we redefine and reestablish ownership forms and relations of production more suitable with regard to the features and level of the productive forces. This means that we are forming new relations of production and renovating previous ones so that the distances are properly narrowed. With that perception, during the 6<sup>th</sup> conference, our Party clearly stated: “The productive forces are constrained not only because of the outdate of the relations of production but also when the development of relations of production is not asynchronous or composes of factors beyond the level of productive forces”<sup>1</sup>. Our Party also determined: “Reinforcing socialist renovations is the ongoing mission during the era of socialism development with a view to matching relations of production with the features and level of productive forces and stimulating the development of productive forces”<sup>1</sup>

In terms of reasoning, establishing socialism during the national hardship means that developing productive forces and establishing relations of production are the decisive factors of the evolution. If the ownership forms were regared as the main aim of socialist revolution and the standard to evaluate level of socialization before the renovation era, ownership forms are now regarded as the basic means to create locations for productive forces to develop and reach socio-economic efficiency.

To non-public ownership economic sectors (primarily private organizations that are reluctant to invest in production, business) or “public-private partnership” (primarily regulated by the government), these sectors are gradually established and developing. Notably, when the enterprise law was released in 2000, non-public ownership economy has been stimulated development. Furthermore, we do not place limitations for private or foreign invested enterprise.

All ineffective forms of “nationalization”, “collectivization” like withdrawing interest, subsidizing are gradually solved and merged into State enterprise. At the 8<sup>th</sup> Conference, the Congress’s Cooperative Law in 1996 showed the determination of our Party in alleviating the burden of public ownership: equitizing sate-owned enterprise and collective economic unites to overcome distraction, limited capital, poor management, losses. Economic organizations work independently, privately; less promoted monetary commodity relations attempt to reach venture, diverse connection in every career, national to global organizations operated by marketing mechanism. The 6<sup>th</sup> Congress of our Party illustrated the step-by-step plan to diversify ownership forms with a view to developing the economy under various forms with suitable scale and level to liberate productive forces. ***Basically, there are 3 ownership forms: national ownership, collective ownership and private ownership; this is the basis to form, transform and develop economic sectors to stimulate development among productive forces.*** Reaffirming the roles of ownership forms, our Party clearly stated in the 9<sup>th</sup> National Congress: “Focusing on developing interwoven, integrated business between different economic sectors, nationally and internationally. Developing joint stock economic organizations helps to mobilize social investment capital”<sup>1</sup>. In other words, by the end of the 80s, especially after the 6<sup>th</sup> National Congress in reasoning and practicality, our Party has made important changes in establishing the decisive relations of production to the success of the evolution. Notably, we determine and transform from a state-subsidized, bureaucratic, centrally-planned economy to a socialist-oriented market economy; from two-part economy to multiple-part economy; and the establishment of ownership forms is the basis of establishing relations of production suitable with the features and level of productive forces.

In this new era, we all understand that there are no places for mistakes or rule violation or stereotypes. For a long time, we have sustained the socialist model based on the general rules of Marx theory but we neglected the reality of our productive forces – an outdated agricultural economy after the war. Establishing socialism in the new era is a challenging revolution requiring full attempts of our Party and citizens. More importantly, the Communist party always holds an decisive role in the success of the renovation. Thus, all that tested wrong is different from what has yet been tested right. What we have been through has remained historical; what we have not been able to do is way ahead. The perception of the law about the suitability

between relations of production and the level and features of productive forces is no longer the aim yet it becomes the basic method in the development of socio-economy in our country nowadays./.

**REFERENCES:**

- [1]. K. Marx and F. Engels: *Full Edition*, National Political Publishing House, Hanoi, 1994, T2, T4, T6.
- [2]. Communist Party of Vietnam, *6<sup>th</sup> National Congress Document*, Truth Publishing House, Hanoi.
- [3]. Communist Party of Vietnam, *7<sup>th</sup>, 8<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup> National Congress Documents*, National Political Publishing House, Hanoi.
- [4]. Communist Party of Vietnam: *Credo on country development in the transitional period to socialism (amended)*, National Political Publishing House, Hanoi, 2011.

Doctor Pham Thanh Trung, et. al. "Communist Party Of Vietnam Perceive, Manipulate Dialectical Law Between Productive Forces And Relations Of Production In The Process Of Socioeconomic Development." *The International Journal of Engineering and Science (IJES)*, 9(12), (2020): pp. 27-31.