

# Social Justice and Poverty Reduction in the Period of *Doi Moi*

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**Abstract:** Since *Đổi mới* (Renovation) was initiated by the Communist Party of Vietnam for the first time in 1986, both theoretically and practically significant achievements have been gained in all economic, political, social and cultural fields. One of the most outstanding achievements is the development of the Party's and the State's awareness and thinking on social justice and poverty reduction. The paper presents the development stages through major landmarks of *Đổi mới* in our country.

**Key words:** Awareness, social justice, poverty reduction, *Đổi mới*.

## 1. Renovation in awareness and thinking of the Party and the State on socialism and poverty reduction

One of the lofty and consistent goals, which the Party and the State always pursue through the entire process of national construction, is to execute social justice and carry out the strategy of poverty reduction. Before *Đổi mới* (Renovation) was initiated in 1986, however, the Party's and the State's awareness of social justice and poverty reduction still remained somewhat too simple and limited.

At that time, we laid down as a policy the socialist transformation, aiming at wiping out quickly all private economic components of farmers, small traders, holders as well as the private capitalist economic sector and subsequently building a homogeneous socialist economy with only two fundamental types of ownership, including the State ownership and the Collective ownership (co-operative). This was considered as the way to eradicate every root of oppression, exploitation and poverty. In fact, the above-mentioned rapid

and vigorous transformation of (non-socialist) economic components shows a hasty, subjective and voluntarist viewpoint. The guideline on building a social structure with "two classes – one stratum" for such a short period is really contradictory with the Marxist – Leninist theory on socialist building and the objective law as well. As illustrated in reality, productive forces were held back; productive power was not promoted; laborers lacked enthusiasm for production; poverty was not reduced properly; and, our country fell in a long-lasting period of socio-economic stagnation and crises, due to the guideline.

At the 6<sup>th</sup> National Congress of the Communist Party (1986), with the principle of facing facts, the Party strictly carried out self-criticism of its above-mentioned hasty mistakes and set forth *Đổi mới* guidelines on socialist building. The basic content viewed as the first breakthrough in *Đổi mới* guidelines is: to shift from the centrally planned subsidized economy to a multi-

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sector commodity economy run by the socialist-oriented market principles with the State management. This content was further affirmed and concretized at the later congresses, such as the 7<sup>th</sup>, the 8<sup>th</sup>, the 9<sup>th</sup>, the 10<sup>th</sup>, and the 11<sup>th</sup> National Congresses of the Communist Party, and in the resolutions of various plenums of the Central Committee as well.

In the political report presented at the 7<sup>th</sup> National Congress of the Communist Party, it was emphasized: "To meet living demands of the people, for over past 4 years (since the 6<sup>th</sup> Congress), we have mobilized and promoted capacity of the entire society; we have encouraged laborers to earn more income and get rich legitimately; and, we have accepted income differences on the basis of productivity, labor effectiveness as well as qualifications and working skills. It is a correct direction that will create a dynamic for development and improve the general living standards"<sup>(1)</sup>. At the National Mid-term Plenum of the 8<sup>th</sup> Central Committee, it was continually affirmed: "Legitimate enrichment encouragement is attached closely with poverty reduction. A part of population who have been in the vanguard of getting rich should be viewed necessary for development"<sup>(2)</sup>.

After the renovation in awareness of socialist building took place for a period, the Communist Party realized that poverty reduction was not simply to abolish the private ownership of means of production and set up the public ownership hastily. Also, it was not as simple as to dispossess the bourgeoisie and landowners of means of production in order to wipe out social gaps, which is at some extent viewed as social leveling that requires a long period of history.

"Public ownership of means of production should be set up step-by-step and will get the absolute advantage, after socialism has been basically built". Yet, "to build socialism is a long process of socio-economic development that consists of many stages ranging from the low to the high levels"<sup>(3)</sup>. "Socialist-oriented market economy undertakes the task of distribution, mainly on the basis of labor outcomes, economic effectiveness, capital contributions into business/ production and through social welfare"<sup>(4)</sup>.

At the National Mid-term Plenum of the 7<sup>th</sup> Central Committee, it was highlighted: "Beside those who have been getting rich legitimately, there are also those who have been getting rich quickly through unlawful business activities"<sup>(5)</sup>. The Document of the 9<sup>th</sup> National Congress of the Communist Party, in addition, affirms that it is necessary "to step up struggles against corruption in the State apparatus and the whole political system etc. Anti-corruption activities should be attached with struggles against funding waste, excessive bureaucracy, smuggling,

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<sup>(1)</sup> Communist Party of Vietnam (1991), *Văn kiện đại hội đại biểu toàn quốc lần thứ VII (Document of the 7<sup>th</sup> National Congress of the Communist Party)*, The National Political Publishing House, Hanoi, p.31.

<sup>(2)</sup> Communist Party of Vietnam (1994), *Văn kiện đại hội đại biểu toàn quốc giữa nhiệm kỳ khóa VIII (Document of the National Mid-term Plenum of the 8<sup>th</sup> Central Committee)*, The National Political Publishing House, Hanoi, p.47.

<sup>(3)</sup> Communist Party of Vietnam (2001), *Văn kiện đại hội đại biểu toàn quốc lần thứ IX (Document of the 9<sup>th</sup> National Congress of the Communist Party)*, The National Political Publishing House, Hanoi, p.87.

<sup>(4)</sup> *Op. cit.*, p.88.

<sup>(5)</sup> Communist Party of Vietnam (2001), *Hội nghị đại biểu toàn quốc giữa nhiệm kỳ khóa VII (The National Mid-term Plenum of the 7<sup>th</sup> Central Committee)*, The National Political Publishing House, Hanoi, p.47.

and especially activities that take advantage of authority to get rich illicitly”<sup>(6)</sup>. Owing to the renovation, the Communist Party changed its thinking on socialist building and poverty reduction. It no longer simply aimed at abolishing private ownership, executing the regime of average allocation, and wiping out the wealth of some people. On the contrary, it started to recognize and accept the long-lasting and equal existence of different economic sectors. The Party assumed that distribution should be made according to labor effectiveness, contribution of funding and other resources into production – business, and through social welfare.

It is affirmed by the Party that socialist building in our country does not aim at exterminating all those who are much richer than others, but it highly appreciates and encourages those who get rich legitimately and legally. Owing to their creative and dynamic ideas in production, more products are made for society, more jobs are created for laborers, and a higher competitiveness is built for the market. Those rich people really contribute a lot of material and financial resources to the country. The Party, therefore, always makes it favorable for them to get richer and richer, as mentioned in Ho Chi Minh’s thought about “making the poor to have enough food; making those who have enough food to get relatively rich; and, making those who have been rich to get richer”<sup>(7)</sup>. They are considered as a powerful motive force for helping the poor to get over poverty and get rich. This new thinking plays an extremely significant role in our national building.

The very renovation in thinking has

created a great impulse for development. It mobilizes and exploits effectively potential resources (in terms of finance, means of production, technique and technology, enthusiasm, experience, skills, and perseverance). They are the very resources that used to be omitted, ignored, or inappropriately exploited in the past.

In addition to accepting, advocating and encouraging legitimate enrichment, the Party has also given warnings against those who are involved in illegal and illicit enrichment. According to the Party’s viewpoint, those who get rich illegally and illicitly squeeze the people and the State budgets; it is therefore necessary to supervise and take control over them in order to apply proper activities of prevention and punishment. Besides, the Party has also given a reminder to those, who do not make efforts to overcome difficulties and poverty, and asked social organizations, schools, and communities to encourage them realize their own responsibility in poverty reduction.

This thinking is closely based on theoretical analysis of regular and irregular social stratification in sociology - a new subject of science, which has been added into research and training work at Ho Chi Minh National Political Academy for nearly 2 decades<sup>(8)</sup>.

## **2. Advances in awareness and thinking of the Party and the State on social justice**

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<sup>(6)</sup> Communist Party of Vietnam (2001), *Document of the 9<sup>th</sup> National Congress of the Communist Party*, *Ibid.*, p.136.

<sup>(7)</sup> Hồ Chí Minh (2002), *Selected Works*, Vol.5, The National Political Publishing House, Hanoi, p.65.

<sup>(8)</sup> *Giáo trình xã hội học trong quản lý* (2004), “Hệ cao cấp lý luận chính trị”, National Political Publishing House, Hanoi, pp.100-104.

At the 6<sup>th</sup> National Congress of the Communist Party (1986), the Party came to a new conclusion that we should renounce definitely the lifestyle of subsidy and the viewpoint of egalitarianism, while making a step-by-step transition to realization of justice in distribution, in order to get over the long-lasting poverty, economic stagnation, and socio-economic crises. The equitable distribution, which is based on labor outcomes, not only helps to overcome the long-lasting stagnation and excessive reliance, but also encourages laborers to take part actively in production. At the 7<sup>th</sup> National Congress of the Communist Party, the Party's awareness of social justice in distribution became more progressive. In addition to keeping affirming the labor outcome and economic effectiveness-based principle (already presented at the 6<sup>th</sup> National Congress), the viewpoint was also supplemented with the idea on "implementing many forms of distribution"<sup>(9)</sup>.

In the strategy on socio-economic development and stabilization until the year 2000, the Party asserted that it was necessary: "to use labor-based distribution as the major form, while encouraging more enrichment and reducing more poverty, increasing social welfare appropriately with the extent of economic development"<sup>(10)</sup> and "to promulgate policies of protecting and regulating incomes for different groups of people, different sectors and different areas"<sup>(11)</sup>.

Together with the renovation in thinking, the Party also set up the idea on "implementing some essential policies, such as the policy to encourage all the people to make contributions towards gratitude funds that

provide support for injured soldiers, families of dead soldiers, and those who deserved well of the country; the policy to provide support and protection for the handicapped, the lonely elderly, and orphans; the policy to provide relief for too miserable households and places which are suffering from a natural disaster or a hazard. The funding should be raised from social organizations and charity unions. It is important to court aid from international humanitarian organizations. Some funding is also provided from the State budget"<sup>(12)</sup>. At the 9<sup>th</sup> National Congress of the Communist Party, it was asserted: "it is necessary to implement social preferential policies and encourage all the people to take part in gratitude activities that provide support for revolutionary veterans, those who deserved well of the country, Vietnamese heroic mothers, injured soldiers, family members of dead soldiers, and social security beneficiaries"<sup>(13)</sup>.

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<sup>(9)</sup> Communist Party of Vietnam (1991), *Cương lĩnh xây dựng đất nước trong thời kỳ quá độ đi lên Chủ nghĩa xã hội (Political Program for National Building at the Transitional Period towards Socialism)*, Ibid., p.10.

<sup>(10)</sup> Communist Party of Vietnam (1991), *Chiến lược ổn định và phát triển kinh tế - xã hội đến năm 2000 (Strategy on Socio-Economic Development and Stabilization until the Year 2000)*, National Political Publishing House, Hanoi, p.9.

<sup>(11)</sup> Communist Party of Vietnam (1991), *Cương lĩnh xây dựng đất nước trong thời kỳ quá độ đi lên Chủ nghĩa xã hội (Political Program for National Building at the Transitional Period towards Socialism)*, Ibid., p.14.

<sup>(12)</sup> Communist Party of Vietnam (1991), *Chiến lược ổn định và phát triển kinh tế - xã hội đến năm 2000 (Strategy on Socio-Economic Development and Stabilization until the Year 2000)*, Ibid., pp.34 - 35.

<sup>(13)</sup> Communist Party of Vietnam (2001), *Văn kiện Đại hội đại biểu toàn quốc lần thứ IX (Document of the 9<sup>th</sup> National Congress of the Communist Party)*, Ibid., p.106.

The lofty viewpoint and activities originated from deep affection of the national tradition, which has been realized via the Party's guidelines and policy. They are the very persuasive evidence for the Party's humanity viewpoint; at the same time, they also show a new progressive change in the Party's awareness on social justice. We are now benefiting achievements, partly owing to significant sacrifices made by our previous generations; they therefore deserve to benefit from those achievements. Thus, dedicating and benefiting matters should be taken into account in social justice, instead of the previous opinion that considers social justice as a distribution on the basis of just labor outcomes and economic effectiveness. Since ones have dedicated to society, they deserve to benefit "correspondingly"<sup>(14)</sup> from social achievements. The sacrifice and contribution are not measured merely by the economic factor. They should not be viewed "separately" from the past and the present, but they should be viewed continuously from the past to the present.

In reality, after some decades of new social building, many families of injured and dead soldiers as well as Vietnamese heroic mothers and those, who devoted life to the revolutionary, still encountered a lot of difficulties in life; some of them fell in poverty. They lacked funding for production; they lacked strength (the war deprived of a part of their health); many of them hardly had favorable conditions to access higher qualification and vocational training. If the Party and the State did not realize this early, it would last for a long time, leading to serious corollaries.

The above-described analysis is closely and organically related to the analysis of the relationship between social justice and social equality. When talking about social equality, we imply the equality between man and man in the economic, political, cultural and social aspects. From the perspective of sociology, social equality is the equality between individuals (members of society) in terms of ability (physical and mental powers), conditions, opportunities, professional and social status etc. Social equality is the equality for all individuals in one aspect, one dimension, or all aspects in life, regardless of the factor that ones are not equal in physical and mental powers, talent, dedication, and contributions to society<sup>(15)</sup>. In that meaning, social equality is what the mankind has been pursuing but it cannot be achieved immediately; instead, it is a long-term goal for us.

Thus, social equality cannot be identified exactly the same as social justice. Social equality is a long-term goal, which we can achieve gradually for each group, each class, each social stratum, each period of history, and each nation. Social justice is what we can make efforts to achieve

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<sup>(14)</sup> Herein, "correspondingly" does not mean crudely that they should benefit as much as they have contributed. This is a qualitative and quantitative concept, implying that ones have sacrificed, dedicated and contributed a part to society, so they should get back some of the contribution. It is impossible to ignore or forget their sacrifice/ contribution.

<sup>(15)</sup> In the writings of Karl Marx, when communism has been successfully achieved all over the world; when the labor productivity is greatly high, abundant products are made, and man has comprehensively developed, "*from each according to his ability, to each according to his need*"; i.e. there is completely equality and perfect justice.

appropriately with specific situations of history. At the 6<sup>th</sup> National Congress of the Communist Party, it was asserted: "Despite a lot of difficulties, it is necessary for us to perform social justice appropriately with specific conditions of our country and remove all unlawful sources of income"<sup>(16)</sup>; "in addition to trying to wipe out socio-economic factors that cause social injustice, it is necessary to struggle resolutely against negative phenomena, aiming at ensuring the principles of social justice and healthy lifestyle in daily life in our country"<sup>(17)</sup>; "A major direction of our social policy is to bring into play the human factor on the basis of equality and justice in citizen rights and duties".

At the 7<sup>th</sup> National Congress of the Communist Party, it was assumed that "we hadn't performed the policy of social justice. Beside those who had enriched legitimately, there were many people who had enriched rapidly by unlawful business. In the meanwhile, many families of those who had dedicated a lot to the country or had sacrificed a lot in the war still faced a lot of difficulties; the number of poor people still made up a considerable proportion"<sup>(18)</sup>. At the same congress, the concept of justice was added into the national socio-economic goals as below: "it is essential to carry out socio-economic development and increase the living standards of the people, aiming at making the people wealthy, the nation powerful, and achieving social justice and civilization"<sup>(19)</sup>. At the 8<sup>th</sup> National Congress of the Communist Party, it was asserted again that the Party would "encourage people to get richer legally, but fight against those

who do unlawful enrichment" and would "attach much importance to poverty reduction, while executing social justice gradually and aiming at making all people, all families prosperous". Especially, this Congress marked a new development in the Party's political thinking and awareness. It affirmed: "economic growth must be attached to social progress and social justice in every stage and for the entire period of development. Social justice must be shown in reasonable allocation of production means and distribution of production outcomes as well as provision of favorable conditions so that everyone has an opportunity to develop and apply well their capacity".

Of all factors causing poverty, one is the very social injustice. The weakness in management and policy enforcement resulted in an alarming situation that a considerable proportion of laborers no longer had means of production; nearly 10% of households in the South-west became sharecroppers; a lot of households in the outskirts of rapidly urbanizing areas lost farmland. They became "penniless"; they had no means of production and consequently became poor "sharecroppers".

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<sup>(16)</sup> Communist Party of Vietnam (1987), *Văn kiện Đại hội đại biểu toàn quốc lần thứ VI (Document of the 7<sup>th</sup> National Congress of the Communist Party)*, The National Political Publishing House, Hanoi, p.45.

<sup>(17)</sup> *Op.cit.* pp.86-87.

<sup>(18)</sup> Communist Party of Vietnam (1993), *Văn kiện Hội nghị giữa nhiệm kỳ đại hội VII (Documents of the National Mid-term Plenum of the 7<sup>th</sup> Central Committee)*, The National Political Publishing House, Hanoi, p.18.

<sup>(19)</sup> Communist Party of Vietnam (1994), *Văn kiện Hội nghị đại biểu toàn quốc giữa nhiệm kỳ đại hội VII (Documents of the National Mid-term Plenum of the 7<sup>th</sup> Central Committee)*, The National Political Publishing House, Hanoi, p.79.

As mentioned by a Western scholar, “poverty is the very relationship between present injustice and inequality of future opportunity”<sup>(20)</sup>. To have no farmland means to have no means of production to earn a living and have no conditions to get over poverty; it also means to lose opportunity to get rich.

However, the social justice in distribution of production means and distribution of production outcomes does not imply all aspects of social justice. It, consequently, was not able to help the poor to get over poverty. According to the new awareness of the Party, social justice should encompass also the fact that the State makes it favorable for everyone to have an opportunity to develop and apply well their ability. As identified by the United Nations Development Program (UNDP) and many scholars in the world, “development is the opportunity extending process, owing to which people will benefit more fully from achievements of development and growth”. On the other hand, if one has an opportunity and favorable conditions to realize the opportunity in practice, but he/she lacks abilities (such as ability to access; ability to seize; ability to realize the opportunity into practice, including physical health, knowledge, skills, and capacity to organize and carry out activities effectively), the person cannot realize the opportunity into practice and therefore cannot transform from poverty to wealth.

This explains why many people have means of production (farmland, tools, and support involved with tax, credit, funding, and technique etc.), but they cannot escape

from poverty anyway; they hardly get richer. The poverty reduction that has been carried out in our country for many years shows that families under the preferential treatment policy, families of dead and injured soldiers, handicapped people and those who have physical or mental illness etc. still remain poor, although they have got a lot of support and opportunities from the State, social organizations and communities. Is there something happening “by default or by predestination”? No, there is nothing involved with default or predestination at all. The most important factor is the fact that they lack ability to realize the opportunity into practice. The Party has attached special importance to healthcare for the poor, hoping to improve their strength. A range of strategies relating to this issue have been built, such as the “Vietnam National Rural Clean Water Supply and Sanitation Strategy”, the “Vietnam National Strategy on Reproductive Health”, the “Vietnam National Population Strategy”, the “Vietnam National Nutrition Strategy”, the “National Plan of Action for Children”, the “Resettlement Supporting Program”, the “National Program for Poverty Reduction”, and the recent “Comprehensive Strategy for Growth and Poverty Reduction”. In addition to the above-mentioned strategies and programs, the Party has also emphasized the importance of activities that aim at improving working skills, qualifications,

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<sup>(20)</sup> (2003), *Chính sách và chiến lược giảm bất bình đẳng và nghèo khổ (Policy and Strategy for Poverty and Social Injustice Reduction)*, The National Political Publishing House, Hanoi, p.57.

dynamism, and capacity to take advantage and realize opportunity into practice, according to the motto: “To give the poor a fishing rod so that they can catch fish”. This enables them to save themselves by their own capacity. Many policies have been implemented together with a range of knowledge and vocational training courses for the poor all over the country. Thousands of models have been applied, such as: “the Poor Supporting Club” and “the Saving-Credit Model for Local Women” etc. To make poverty reduction effective for poor people and households, we need to achieve high economic growth. However, if we just focus our attention on economic growth and let it develop spontaneously, regardless of social justice in distribution and redistribution, employment, wage reformation, poverty reduction, social preferential treatment, social insurance, social welfare, gratitude policy, healthy social development etc., the economic growth may lead to social vulnerability, damage interests of a part of population, widen the gap between the rich and the poor, and make poverty become severer. Consequently, it may result in social disorder and conflicts.

### **3. To take the initiative in international integration and to take advantage of international resources for our poverty reduction**

It will be incomplete, if we do not mention the Party’s efforts and growing recognition that it is necessary to participate actively in international forums and take advantage of international resources for our poverty reduction. At the World Summit for

Social Development held in Copenhagen (Denmark) in March 1995, the Former Prime Minister Vo Van Kiet proclaimed: “We pledge to follow the world poverty reduction goals through our national activities and international cooperation, considering it as a moral, social, political and economic obligation for the mankind”.

In September 2000, at the UN Millennium Summit held in New York with participation of 189 heads of state, the Former President Tran Duc Luong on behalf of Vietnamese Government signed in the UN Millennium Declaration, committing together with other countries in the world to help achieve 8 goals, 18 targets, and 48 indicators of the millennium development, including “To eradicate extreme poverty and hunger”, “Halve, between 1990 and 2015, the proportion of people living on less than \$1.25 a day”, “Halve, between 1990 and 2015, the proportion of people who suffer from hunger”. At the same Summit, the Government raised 11 targets of development that Vietnam pursues to achieve, including: “To reduce the poverty rate with two indicators as (1) Between 2001 and 2010, to reduce 40% of the proportion of people who live under the international poverty line; and (2) To reduce 75% of the proportion of people who live under the international standard of food by 2010”; “To halve the proportion of people who cannot access sustainably clean water in 2015”<sup>(21)</sup>.

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<sup>(21)</sup> United Nations (2002), *Đưa mục tiêu Thiên niên kỷ đến với người dân (To bring the Millennium Goals to People)*, United Nations in Vietnam, pp.54-55.



In the preface of the book titled “A Comprehensive Strategy for Growth and Poverty Reduction” published in May 2002, the Former Prime Minister Phan Van Khai affirmed: “Vietnamese Government views poverty reduction as a persistent target for the entire process of socio-economic development in our country; poverty reduction is a major factor for social justice and sustainable development. And, vice versa, only high and sustainable growth can provide sufficient material power to support and create opportunities for the poor so that they can get over poverty. Poverty reduction is, therefore, considered as a component of the 10-year socio-economic development strategy (2001 – 2010), the 5-year development plan (2001 – 2005), and every yearly plan of the whole country as well as each sector and local area”.

In the same preface, the Former Prime Minister Phan Van Khai expressed an expectation of the Vietnamese Government, as below: “We would like to continue getting practical and effective supports from the community of international sponsors and non-governmental organizations for our economic development and poverty reduction”. In the spirit of taking the initiative in international integration, intensifying dialogues, learning experience and utilizing effectively resources, the Party, the State and all Vietnamese people have been getting more and more valuable support from a lot of other countries, international sponsors, non-governmental organizations as well as governmental institutions. We

have received billions US dollars in form of official development assistance (ODA) from the World Bank, the International Monetary Fund, the International Development Association, etc. for poverty reduction programs. This is a really important resource that partly enables us to get over the economic crisis, step up poverty reduction, and improve significantly the standard of living for the people.

#### **4. Conclusion**

We are surely proud of the achievements we have gained in social justice and poverty reduction. The credit for this success is given to the whole nation, but at first it is necessary to mention the sound leadership of the Communist Party and the effective and flexible management of the State, which originated from the humane tradition of our nation and the renovation in the Party and the State’s thinking and awareness of socialism generally, and social justice and poverty reduction specifically. To maintain and develop sustainably achievements as well as to make good existing shortcoming, however, the Party, the State and scientists should make assessments and carry out research properly, in order to make clearer theoretical issues relating to socialism and poverty reduction. It is necessary to build and implement scientific measures persistently and comprehensively. It is also essential to do research and build a set of national indicators on assessment criteria, ranking scale, professional and social titles, and wage system, which are corresponding to the dedication of individuals and organizations to the country.

